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POVERTY PROFILE 2001

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POVERTY PROFILE 2001

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TABLE OF CONTENTS

INTRODUCTION **1**

POVERTY IN CANADA: PATTERNS AND TRENDS **3**

Changes in 2001 3
Longer-Term Trends 3
Depth of Poverty 4
Persistance of Poverty 4
Other Markers of Poverty 4
Poverty and Work 5
Poverty and Income Inequality 5

I. RECENT POVERTY TRENDS **7**

Poverty Trends for Persons 8
Poverty Trends by Family Type 12

II. VIEW FROM THE PROVINCES **27**

III. SNAPSHOTS OF POVERTY IN 2001 ..... **41**

Family Type 41
Age Group and Sex 43
Family Type and Age Group 44
Young Adults 47
Number and Age Group of Children 48
Education 49
Period of Immigration 52
Housing Status 53
Area of Residence 55

IV. DEPTH OF POVERTY **57**

V. PERSISTENCE OF POVERTY **73**

VI. POOR CANADIANS AND THEIR SOURCES OF INCOME **81**

VII. POVERTY AND PAID WORK **95**

VIII. A CLOSER LOOK AT WOMEN, CHILDREN AND SENIORS **107**

Women 107
Children 110
Seniors 118

IX. POVERTY AND INEQUALITY **125**

CONCLUSION: NOWHERE TO TURN **131**

APPENDICES

A. METHODOLOGY AND DEFINITIONS 133
B. LOW INCOME CUT-OFFS 137
C. SELECTED POVERTY STATISTICS USING STATISTICS CANADA'S AFTER-TAX LICOS ... 141

MEMBERS OF THE NATIONAL COUNCIL OF WELFARE **149**

NATIONAL COUNCIL OF WELFARE **151**

INTRODUCTION

Poverty Profile 2001 is the latest annual report on poverty by the National Council of Welfare. It is based on factual material compiled by Statistics Canada and includes numerous statistics for 2001 and poverty trends dating back to 1980. As in the past, the report is an analysis of the facts, rather than a blueprint for eliminating poverty, and it contains no specific recommendations as such. The National Council of Welfare has published many other reports over the years that are full of proposals for fighting poverty.

The report features information about the number of poor people in Canada and poverty rates for both individuals and families. In addition to examining the incidence of poverty, information about its severity is presented in the depth of poverty chapter. The persistence, or duration, of poverty is also discussed as well as sources of income of poor people and the relationship between poverty and paid work. The report concludes with a chapter on income inequality, or the way in which personal income is distributed in the population as a whole.

The data in the report are based on income surveys of Canadians, and the survey data is extended using statistical techniques to the population at large. It should be noted that Statistics Canada does not include residents of the Yukon, the Northwest Territories and Nunavut, residents of institutions and persons living on Indian reserves in these particular surveys.

Statistics Canada recently revised its estimates to ensure consistency with the latest available census figures. The revisions mean that many of the figures in this report differ slightly from figures published in previous editions of Poverty Profile. The overall patterns and trends have not changed despite these small changes in poverty rates and numbers.

The main text of the report uses the before-tax version of Statistics Canada's low income cut-offs or LICOs as its measure of poverty. Selected statistics using the low income cut-offs after federal and provincial income taxes appear in Appendix C.

The National Council of Welfare hopes that Poverty Profile 2001 sheds some light on poverty in Canada, a subject that is much discussed, but all too often overshadowed by other issues in public policy debates.

POVERTY IN CANADA: PATTERNS AND TRENDS

CHANGES IN 2001

- The poverty rate for all persons dropped from 14.7 percent in 2000 to 14.4 percent in 2001. It was the fifth consecutive year of declines.
- Poverty rates for children under 18 and adults under 65 continued to fall in 2001, while the rate for seniors 65 and older increased slightly from its modern-day lows in 1999 and 2000. The 2001 rates were 15.6 percent for children, 13.6 percent for adults under 65, and 16.8 percent for seniors.
- The poverty rate for families of all types was unchanged at 11 percent in 2001, and the rate for all unattached individuals was down slightly to 36.3 percent.
- The poverty rate for families led by single-parent mothers fell to a modern-day low of 42.4 percent in 2001. The rate for families led by single-parent fathers was up to 19.3 percent.
- For the second consecutive year in 2001, unattached women 65 and older had the highest poverty rate of any of the nine most common family types, 45.6 percent. Ironically, that figure was also a modern-day low for unattached senior women. The drop in their poverty rate in recent years was less than the drop in the rate for single-parent mothers.
- Among the provinces, Newfoundland and Labrador had the highest poverty rate for all persons in 2001 at 17.6 percent. Ontario had the lowest rate at 11.7 percent.

LONGER-TERM TRENDS

- Poverty rates for all persons went up after the recession of 1981-1982, declined for the rest of the 1980s and rose again with the recession of 1990-1991. The current trend is downward, but the 2001 rate of 14.4 percent is still higher than the rate of 13.9 percent in 1989, the year before the last recession.
- In spite of a steady, but slow, decline in child poverty rates since 1996, the child poverty rate of 15.6 percent in 2001 was still higher than the rate of 14.9 percent in 1989, the year before the last recession and also the year that members of the House of Commons voted unanimously to try to end child poverty by 2000.
- Poverty rates for seniors have been falling more or less steadily since the current series of poverty statistics began in 1980. From 1980 to 2001, the rate for all seniors plummeted from 33.9 percent to 16.8 percent, the rate for couples 65 and older dropped from 20.1 percent to 6.3 percent, the rate for unattached senior men went from 61 percent to 32.8 percent, and the rate for unattached senior women went from 71.7 percent to 45.6 percent, a modern-day low. However, over the past few years the rate of decline in

poverty rates for seniors has slowed.

DEPTH OF POVERTY

- Two-parent families under 65 with children under 18 had the largest depth of poverty, measured in dollars, of any family type in 2001, with incomes an average of $10,265 below the poverty line. Unattached women 65 and older had the smallest depth of poverty, an average of $3,249 below the poverty line.
- Hundreds of thousands of poor Canadians lived on incomes of less than half the poverty line in 2001. They included 466,000 unattached individuals under 65 and 153,000 families under 65.
- Canada's total poverty gap - the amount of money needed to bring all poor people up to the poverty line - was up slightly to $18.6 billion in 2001. By way of comparison, Canada's gross domestic product in 2001 was $1.1 trillion.

PERSISTANCE OF POVERTY

- Some 7.5 million people or 29.6 percent of the population were poor for at least one year from 1996 through 2001. That was more than twice the annual poverty rate of 14.4 percent for all persons in 2001.
- Nearly 1.4 million people or 5.5 percent of the population were poor for all six years from 1996 through 2001.

OTHER MARKERS OF POVERTY

- Women have consistently higher poverty rates than men in the case of unattached persons and single parents. The most glaring difference in 2001 was the gap between the poverty rate of 42.4 percent for single-parent mothers and the rate of 19.3 percent for single-parent fathers.
- The gap between women and men is greater for persons 65 and older than it is for younger adults. The gap for seniors in recent years has been in the order to two to one. In 2001, the poverty rate for senior women was 21.2 percent and the rate for senior men was 11.1 percent.
- Poverty rates fall as the level of education rises. The 2001 poverty rate for unattached individuals with less than a high school education was 59.2 percent, compared to a rate of 21.9 percent for those with a bachelor's degree from university. Families where the major income earner had less than a high school education had a poverty rate of 16.4 percent, compared to 4.2 percent for families where the major income earner had a bachelor's degree.

POVERTY AND WORK

- Having a job offers some protection against poverty, but having only one earner in the family unit is often not enough. For example, the poverty rates in 2001 for two-parent families under 65 were 87.1 percent for families with no earners, 28 percent for families with one earner, 5.1 percent for families with two earners and 2.2 percent for families with three or more earners.

- Poverty rates fall as weeks of work increase. Among unattached individuals under 65, the poverty rates in 2001 were 78.8 percent for persons with no paid work and 15.9 percent for those who worked 49 to 52 weeks a year. The rates for families under 65 ranged from 52.2 percent for families where neither spouse had paid work to 2.8 percent where the two spouses worked 103 weeks or more combined.

- There were 374,000 poor families under 65 and 477,000 poor unattached individuals under 65 in 2001 who got more than half their total incomes from paid work. Together, they represented more than half of the poor under age 65 who were able to work.

POVERTY AND INCOME INEQUALITY

- The distribution of personal income in Canada is quite skewed. Even after the impact of government transfer payments and income taxes, the poorest 20 percent of the population had only five percent of the income in 2001. The richest 20 percent had 43 percent of the income.

- Between 1980 and 2001, the average income after taxes of the poorest 20 percent of the population went from $10,921 to $11,675 after accounting for inflation, an increase of seven percent. The average income of the richest 20 percent went from $88,058 to $101,628, an increase of 15 percent.

I. RECENT POVERTY TRENDS

Most of the poverty statistics were down again in 2001 as Canada basked in its tenth consecutive year of economic growth following the last recession. The national poverty rate for all persons dropped from 14.7 percent in 2000 to 14.4 percent in 2001, and the estimated number of poor Canadians dipped from 4,422,000 to 4,393,000. Most of the other poverty figures also continued to edge downward.

At the same time, there were dark linings in the silver clouds over the landscape. The recovery from the recession of 1990-1991 was still not complete. Poverty rates for certain groups of people remained unconscionably high, despite some small improvements in recent years. Income inequality was worse in 2001 than it was a generation earlier. Government programs to assist the needy were shielding millions of people from utter destitution, but governments did not seem to be making any inroads in the fight against poverty. The one notable exception was the package of government income support programs for seniors set up back in the 1950s and 1960s that sharply has reduced poverty among the elderly.

Between 2000 and 2001, the poverty statistics for 12 of the 15 commonly studied groups of Canadians all were down. In most of these cases, it was the fifth consecutive year of improvements after the peak levels of poverty that occurred during the middle 1990s.

Four of the 2001 rates qualified as record lows, at least in terms of the current series of poverty figures from Statistics Canada dating back to 1980. The poverty rate for families headed by single-parent mothers under 65 dropped to 42.4 percent. The rate for all unattached individuals - that is, people living on their own or with non-relatives - fell to 36.3 percent. Within that very broad category, the rate for unattached seniors fell to 42.2 percent, and the rate for unattached senior women fell to 45.6 percent. Few people would call any of these rates acceptable, but they were all considerably lower than many earlier years.

The picture was not as bright when the comparisons were between 2001 and 1989, the best year of the 1980s and the year before the recession hit in 1990. Only seven of the 15 commonly studied groups had lower poverty rates in 2001 than in 1989, and the other eight groups had slightly higher rates in 2001. Clearly, the bounty from year after year of growth in the economy had eluded significant numbers of Canadians.

This chapter presents the major national trends in poverty rates from 1980 through 2001 using two different approaches. The first approach looks at Canadians as individual persons regardless of their family status. It covers all persons, children, adults 18 through 64, and seniors 65 and older. The second approach looks at Canadians by family type, such as unattached individuals or two-parent families with children.

The first part of the chapter features poverty rates plotted graphically to give readers a quick overview of the ups and downs since 1980. The tables in the second part of the chapter are for readers who want more detailed statistics. The first table, for example, contains not only the poverty rate for all persons, but also the number of poor people and the population at large for each year from 1980 through 2001.

In all cases, the numbers and rates refer only to people living in the ten provinces. Statistics Canada excludes the three territories from the annual surveys that are used to generate poverty statistics. More detailed information about the surveys, the way poverty lines are drawn, and how poverty rates are calculated appears in Appendix A.

POVERTY TRENDS FOR PERSONS

The simple shorthand measure of poverty in Canada is the poverty rate for all persons considered as individuals rather than members of family units. The overall poverty rate in 2001 was 14.4 percent, and the estimated number of poor people was 4,393,000 out of the total population of 30,467,000 living in the ten provinces.

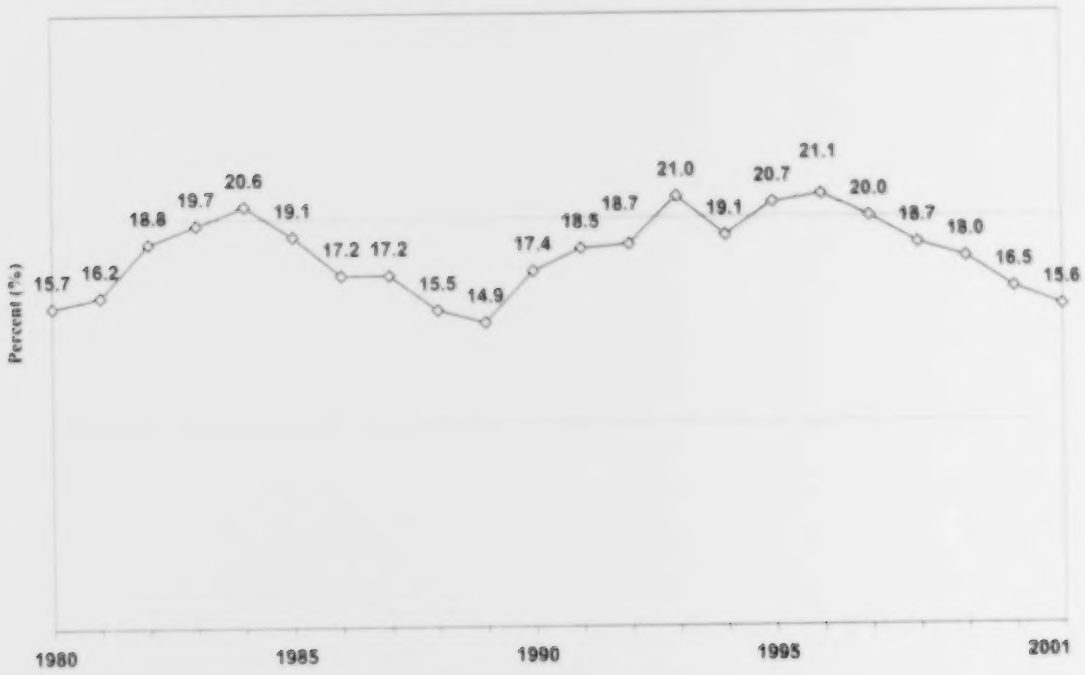
The poverty rate for all persons, like many of the other poverty rates, rises and falls as the overall health of the economy falls and rises. As shown in Figure 1.1, the poverty rate started rising as the economy stopped growing with the recession of 1981-1982 and peaked two years later at a modern-day high of 18.6 percent. Poverty declined for the rest of the decade, bottomed out at 13.9 percent in 1989, and then started rising once again with the recession of 1990-1991.

Figure 1.1: Poverty Rates for All Persons

The poverty rate continued rising even after the end of the last recession, peaked in 1996 and has been falling ever since. However, the 2001 rate of 14.4 percent was still a bit above the low of 13.9 percent in 1989.

Figure 1.2 plots the poverty rate for children under 18 from 1980 through 2001, and the line looks almost identical to the line for all persons. The obvious reason for the similarity is that the poverty rates of children mirror the rates of their parents. The child poverty rate hit a modern-day low of 14.9 percent in 1989, the year before the last recession struck, rose sharply to 21.1 percent in 1996 and has been falling ever since.

Figure 1.2: Poverty Rates for Children Under 18

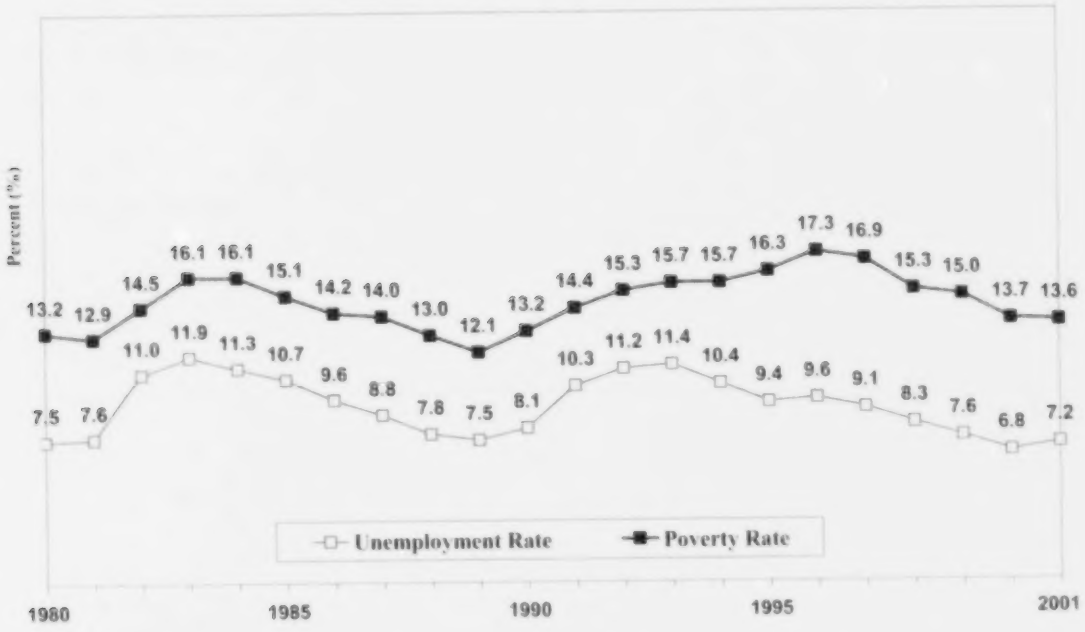


The year 1989 had special significance for children. That was the year that the House of Commons unanimously passed a resolution to work to end child poverty by the year 2000. Sadly, there has not been one single year since the passage of the resolution where the child poverty rate has been lower than it was in 1989. The figure for 2001 was 15.6 percent - very close to the 1989 rate of 14.9 percent, but still higher despite the promises of MPs and all those years of economic growth.

One of the best markers of poverty for people under age of 65 is the unemployment rate. Since earnings are a major source of income for many Canadians, having a good job is often the key to financial security, and being out of work is a common reason for poverty.

Figure 1.3 shows the poverty rate for adults ages 18 through 64, the group most likely to be in the paid labour force, and the annual average unemployment rate for people 15 and older, the group most often cited in the unemployment statistics. The unemployment rate went up sharply during the last two recessions, and so did the poverty rate.

Figure 1.3: Unemployment and Poverty Among Working-Age People



The trends marked by the two lines are roughly the same, although the lines have been diverging in recent years. During most of the 1980s and early 1990s, poverty rates for adults were four or five percentage points higher than the unemployment rates. Starting in the latter half of the 1990s, the gap grew to six or seven percentage points. In 2001, it was 6.4 points - a poverty rate of 13.6 percent minus an unemployment rate of 7.2 percent.

The simple explanation for the gap in recent years is that the unemployment rate was falling faster than the poverty rate, but the dynamics were obviously much more complicated. We will take a closer look at work, work patterns, levels of earnings and their links to poverty later in this report.

Figure 1.4 illustrates Canada's one big success story in fighting poverty, the long-term decline in poverty among seniors 65 and older. Unlike younger people who are often in the paid labour force and vulnerable to periodic bouts of unemployment, most seniors are outside the paid labour force and rely on pension plans and savings as major sources of income.

During the 1950s and 1960s, the federal government established the Old Age Security pension and Guaranteed Income Supplement in more or less their present forms, and the federal and provincial governments got together to create the Canada Pension Plan and its sister plan, the Quebec Pension Plan, in 1966. These plans, plus later government incentives to encourage people to save for their own retirement, had a major impact on the incomes of seniors year after year and led directly to the huge drop in poverty.

Figure 1.4: Poverty Rates for People 65 and Older

In 1980, the poverty rate for Canadians 65 and older was 33.9 percent. The rate dropped more or less steadily in the years that followed and hit modern-day lows of 16.4 percent in 1999 and 2000. From time to time, as in 2001, there were slight shifts upward, but not enough to blunt the dramatic trend downward. The fall in the poverty rate was even more dramatic because it occurred despite a huge increase in the number of seniors in Canada. As Table 1.3 at the end of the chapter shows, the number of seniors who were poor declined even as the total number of seniors rose sharply.

POVERTY TRENDS BY FAMILY TYPE

The poverty statistics for all persons, children, adults under 65 and seniors are useful measures, but we also need to look at family units to get a fuller understanding of poverty. One of the most insightful ways of looking at Canadians is as economic families and unattached individuals.

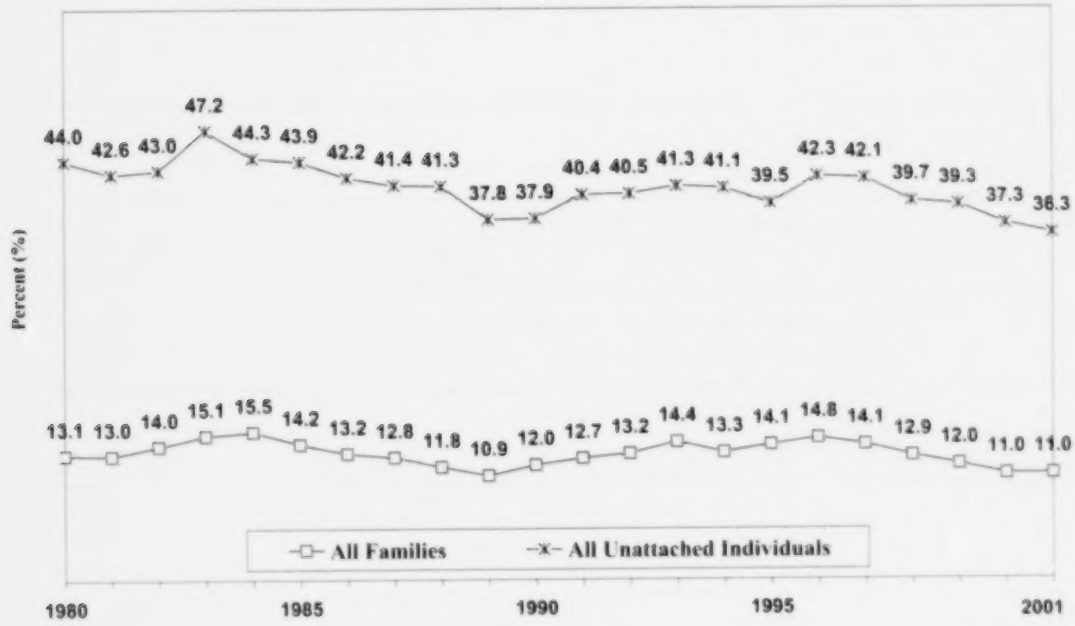
Economic families are households of two or more persons where everyone is related by blood, marriage or adoption. They also include couples in common-law or same-sex relationships. Since family members normally support each other financially, it makes more sense to look at families as economic units rather than considering each member of a family in isolation from the other members.

The five most common types of economic families featured in studies of poverty are: couples 65 and older, couples under 65 with no children under 18, two-parent families under 65 with children under 18, families with children under 18 headed by single-parent mothers, and families with children under 18 headed by single-parent fathers. Less common family types include brothers and sisters living together and extended families that span more than two generations.

Unattached individuals are people living on their own or with non-relatives - like two roommates who share an apartment to save money on living expenses. Unattached individuals are usually broken down into four groups: women under 65, men under 65, women 65 and older, and men 65 and older.

Poverty rates for the two broad categories of unattached individuals and families both rise and fall with the economy, but the rates for unattached individuals are invariably much higher than the rates for families, as shown in Figure 1.5. The main reason for this is that families often have more than one breadwinner.

Figure 1.5: Poverty Rates for Families and Unattached Individuals



Many younger couples have both partners in the paid labour force, and many senior couples have two pensioners, each with sources of pension income in their own names. Unattached persons, by definition, have only one income.

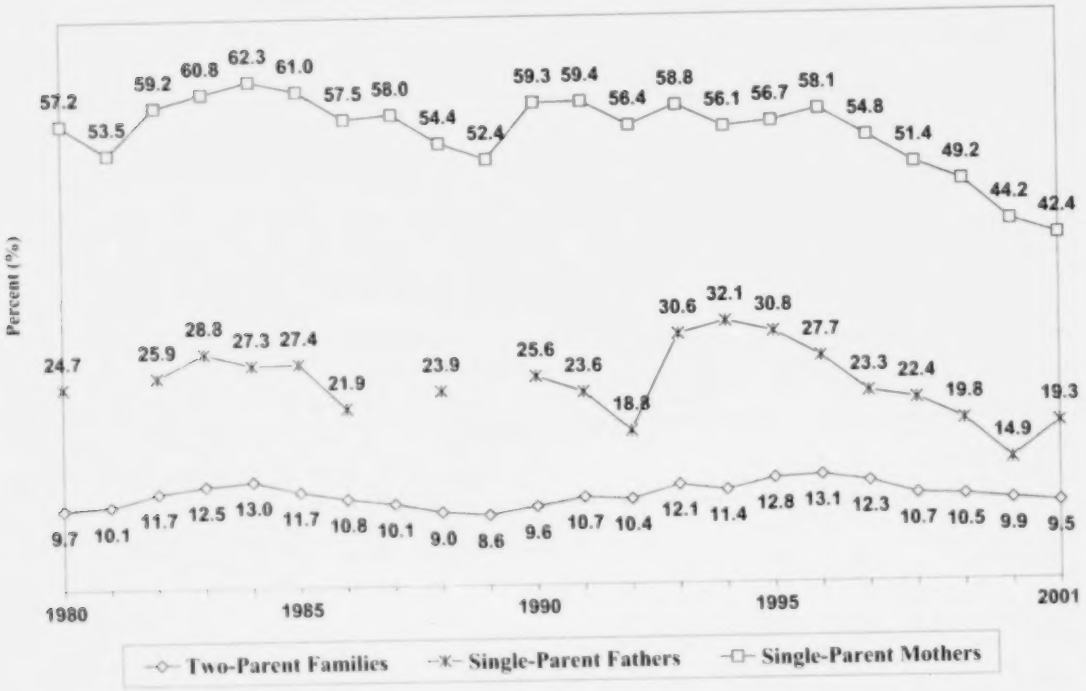
In 2001, the poverty rate for all families was 11 percent, and the poverty rate for unattached individuals was 36.3 percent. Even though the unattached rate was a modern-day low, it was still more than three times the rate for families.

Over the years, the ratio of poverty rates for the two groups has typically been in the order of three to one. The biggest difference was the ratio of 3.5 to one in 1988, and the smallest difference was 2.8 to one in 1995.

The remaining figures in this chapter show the trends in poverty rates for the nine specific types of families and unattached individuals.

The three types of families with children under 18 appear in Figure 1.6. Two-parent families with children are by far the most common family type with children in Canada, and they consistently have the lowest poverty rate of all family types with children. On several occasions, including 2000 and 2001, the rate dropped into single digits. As we will see later in the report, one reason for the low rate is the large number of families with at least two persons in the paid labour force.

Figure 1.6: Poverty Rates for Families with Children

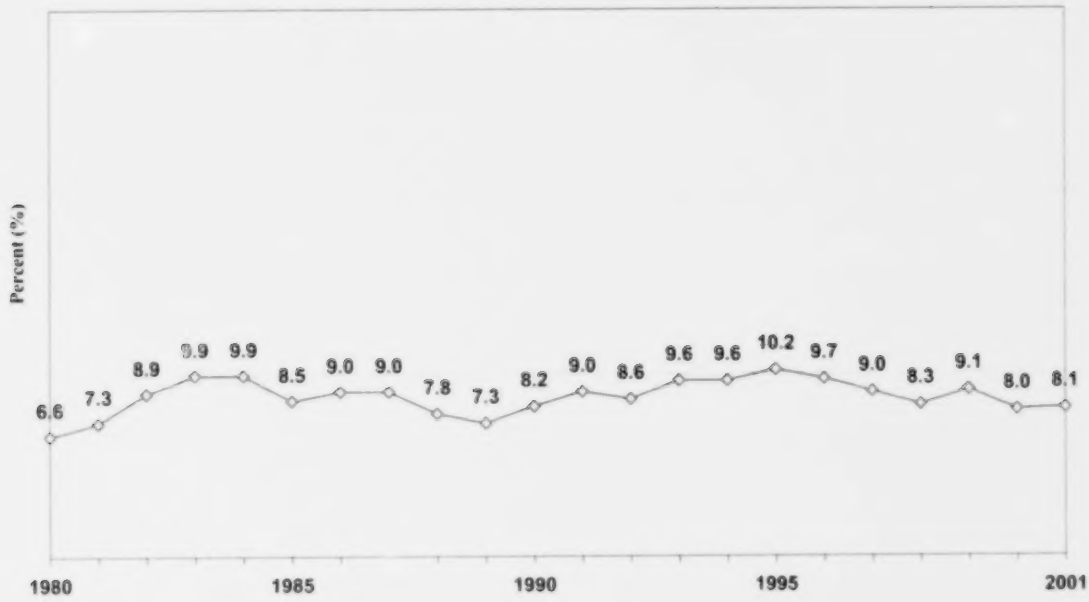


Single-parent mothers typically account for 85 percent or more of all single-parent families in Canada, and more than 90 percent of poor single-parent families. Over the years, the poverty rate for single-parent mothers ranged from outrageously high to high. However, the short-turn trend has been down sharply, and the long-term trend also appears to be down. The highest poverty rate for single-parent mothers was 62.3 percent in 1984, and rates in excess of 50 percent have been the norm. The rate dipped to 49.2 percent in 1999 and continued downward to 44.2 percent in 2000 and 42.4 percent in 2001.

The poverty rate for single-parent fathers is usually less than half the rate for female lone-parent families. The rate for single-parent fathers also tends to be a bit erratic from year to year because of the relatively small number of families and therefore the smaller sample sizes in the surveys used to produce the poverty statistics. The gaps in the line for single-parent fathers in Figure 1.6 represent years when the sample size was too small to produce reliable results. The low poverty rate of 14.9 percent in 2000 may be a statistical aberration, also due to the small sample size.

Figure 1.7 shows the trend in the poverty rate for couples under 65 without children under 18. The rate rises and falls with the health of the economy, just as it does for other family types under 65. Couples under 65 without children typically have a poverty rate slightly below the rate for two-parent families with children.

Figure 1.7: Poverty Rates for Couples Under 65 Without Children Under 18



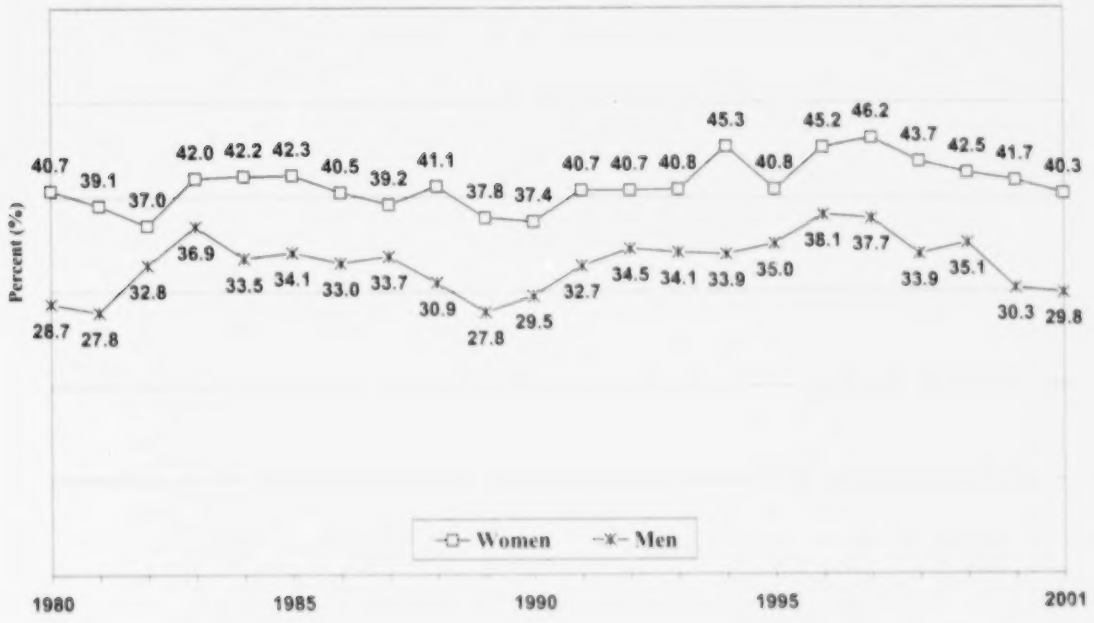
The poverty rate for senior couples, as shown in Figure 1.8, has become the lowest of all the nine family types featured in *Poverty Profile*. The rate shows some very slight cyclical changes, partly because some seniors are still in the paid labour force, but the trend overall is sharply downward. The rate for senior couples hit a modern-day low of 4.5 percent in 2000 and rebounded a bit to 6.3 percent in 2001 - still the lowest of any of the nine family types.

Figure 1.8: Poverty Rates for Couples 65 and Older

The next two figures feature poverty among the four family types of unattached individuals. Once again, the patterns are radically different for unattached individuals under 65 and those 65 and older. Poverty rates in both age groups are much higher for women than men.

Figure 1.9 shows the poverty rates for unattached women and men under 65. The ups and downs reflect the state of the economy, and the difference in rates between women and men is largely a function of the disadvantaged position of women in the paid labour force. Earnings of women are traditionally much lower on average than earnings of men. Women also tend to have relatively fewer full-time jobs and more part-time jobs than men.

Figure 1.9: Poverty Rates for Unattached People Under 65



The gap between the poverty rates of unattached women and men under 65 ranged from a maximum of 12 percentage points in 1980 to a mere 4.2 points in 1982. The long-term pattern appears to be that the gap is widest in good economic times and smallest in bad times. That may be because the rate for men tends to be more volatile in bad times.

The poverty rates for unattached seniors in Figure 1.10, like all the other poverty statistics for seniors, are down sharply between 1980 and 2001. Unattached senior women had a poverty rate of 71.7 percent in 1980 and a rate of 45.6 percent in 2001, a drop of 26.1 percentage points. Unattached senior men had a rate of 61 percent in 1980 and 32.8 percent in 2001, a drop of 28.2 percentage points.

In both cases, the decline was much more striking in the earlier years. Since 1995, the rate for unattached senior women has declined modestly, and the rate for men has been erratic.

Figure 1.10: Poverty Rates for Unattached People 65 and Older

As with the younger unattached individuals, there is a huge gap in the rates between women and men that shows no sign of disappearing. The largest gap was 22.2 percentage points in 1988, and the smallest gap was 10.7 points in 1980 and 1984.

Part of the explanation is that the difference in average earnings between women and men carries over into retirement for seniors who receive pension benefits that are based on their previous earnings. Another reason is that women live longer on average than men and are more likely to deplete their savings over time.

TABLE 1.1: POVERTY TRENDS, ALL PERSONS			
	All Persons	Poor Persons	Poverty Rate
1980	24,107,000	3,792,000	15.7%
1981	24,389,000	3,828,000	15.7%
1982	24,654,000	4,204,000	17.1%
1983	24,890,000	4,599,000	18.5%
1984	25,128,000	4,666,000	18.6%
1985	25,358,000	4,411,000	17.4%
1986	25,612,000	4,151,000	16.2%
1987	25,921,000	4,130,000	15.9%
1988	26,253,000	3,924,000	14.9%
1989	26,620,000	3,700,000	13.9%
1990	27,015,000	4,085,000	15.1%
1991	27,394,000	4,438,000	16.2%
1992	27,792,000	4,647,000	16.7%
1993	28,114,000	5,003,000	17.8%
1994	28,431,000	4,800,000	16.9%
1995	28,734,000	5,072,000	17.7%
1996	29,056,000	5,385,000	18.5%
1997	29,368,000	5,272,000	18.0%
1998	29,627,000	4,885,000	16.5%
1999	29,898,000	4,737,000	15.8%
2000	30,180,000	4,422,000	14.7%
2001	30,467,000	4,393,000	14.4%

TABLE 1.2: POVERTY TRENDS, CHILDREN UNDER 18			
	All Children Under 18	Poor Children Under 18	Poverty Rate
1980	6,792,000	1,066,000	15.7%
1981	6,724,000	1,085,000	16.2%
1982	6,629,000	1,248,000	18.8%
1983	6,581,000	1,294,000	19.7%
1984	6,513,000	1,345,000	20.6%
1985	6,490,000	1,243,000	19.1%
1986	6,530,000	1,122,000	17.2%
1987	6,529,000	1,125,000	17.2%
1988	6,592,000	1,021,000	15.5%
1989	6,652,000	990,000	14.9%
1990	6,692,000	1,167,000	17.4%
1991	6,782,000	1,253,000	18.5%
1992	6,843,000	1,279,000	18.7%
1993	6,898,000	1,455,000	21.0%
1994	6,966,000	1,331,000	19.1%
1995	6,982,000	1,447,000	20.7%
1996	7,036,000	1,484,000	21.1%
1997	7,013,000	1,405,000	20.0%
1998	6,993,000	1,307,000	18.7%
1999	6,963,000	1,251,000	18.0%
2000	6,944,000	1,139,000	16.5%
2001	6,895,000	1,071,000	15.6%

TABLE 1.3: POVERTY TRENDS, PEOPLE 65 AND OLDER			
	All People 65 and Older	Poor People 65 and Older	Poverty Rate
1980	2,163,000	732,000	33.9%
1981	2,217,000	744,000	33.4%
1982	2,280,000	668,000	29.3%
1983	2,328,000	726,000	31.1%
1984	2,396,000	712,000	29.6%
1985	2,486,000	695,000	28.0%
1986	2,581,000	679,000	26.4%
1987	2,667,000	667,000	25.0%
1988	2,744,000	702,000	25.5%
1989	2,853,000	640,000	22.5%
1990	2,951,000	619,000	21.1%
1991	3,010,000	653,000	21.6%
1992	3,109,000	645,000	20.8%
1993	3,167,000	717,000	22.7%
1994	3,228,000	615,000	19.1%
1995	3,299,000	618,000	18.8%
1996	3,352,000	664,000	19.7%
1997	3,465,000	662,000	19.2%
1998	3,518,000	658,000	18.8%
1999	3,553,000	585,000	16.4%
2000	3,630,000	594,000	16.4%
2001	3,712,000	619,000	16.8%

TABLE 1.4: POVERTY TRENDS, ECONOMIC FAMILIES			
	All Economic Families	Poor Families	Poverty Rate
1980	6,497,000	851,000	13.1%
1981	6,611,000	857,000	13.0%
1982	6,696,000	940,000	14.0%
1983	6,803,000	1,030,000	15.1%
1984	6,902,000	1,073,000	15.5%
1985	7,007,000	993,000	14.2%
1986	7,084,000	933,000	13.2%
1987	7,175,000	917,000	12.8%
1988	7,313,000	862,000	11.8%
1989	7,404,000	806,000	10.9%
1990	7,528,000	905,000	12.0%
1991	7,620,000	969,000	12.7%
1992	7,769,000	1,024,000	13.2%
1993	7,840,000	1,129,000	14.4%
1994	7,910,000	1,051,000	13.3%
1995	8,032,000	1,129,000	14.1%
1996	8,101,000	1,197,000	14.8%
1997	8,179,000	1,154,000	14.1%
1998	8,257,000	1,063,000	12.9%
1999	8,339,000	1,004,000	12.0%
2000	8,427,000	923,000	11.0%
2001	8,525,000	938,000	11.0%

TABLE 1.5: POVERTY TRENDS, UNATTACHED INDIVIDUALS			
	All Unattached Individuals	Poor Unattached Individuals	Poverty Rate
1980	2,429,000	1,069,000	44.0%
1981	2,521,000	1,074,000	42.6%
1982	2,602,000	1,119,000	43.0%
1983	2,677,000	1,263,000	47.2%
1984	2,754,000	1,219,000	44.3%
1985	2,830,000	1,243,000	43.9%
1986	2,921,000	1,234,000	42.2%
1987	3,030,000	1,254,000	41.4%
1988	3,141,000	1,296,000	41.3%
1989	3,256,000	1,230,000	37.8%
1990	3,373,000	1,278,000	37.9%
1991	3,459,000	1,398,000	40.4%
1992	3,529,000	1,430,000	40.5%
1993	3,586,000	1,480,000	41.3%
1994	3,647,000	1,499,000	41.1%
1995	3,711,000	1,466,000	39.5%
1996	3,779,000	1,597,000	42.3%
1997	3,846,000	1,619,000	42.1%
1998	3,908,000	1,551,000	39.7%
1999	3,972,000	1,562,000	39.3%
2000	4,041,000	1,506,000	37.3%
2001	4,077,000	1,482,000	36.3%

TABLE 1.6: POVERTY TRENDS, TWO-PARENT FAMILIES UNDER 65 WITH CHILDREN UNDER 18			
	All Two-Parent Families	Poor Two-Parent Families	Poverty Rate
1980	3,137,000	304,000	9.7%
1981	3,107,000	314,000	10.1%
1982	3,080,000	362,000	11.7%
1983	3,076,000	386,000	12.5%
1984	3,030,000	392,000	13.0%
1985	3,054,000	357,000	11.7%
1986	3,070,000	332,000	10.8%
1987	3,054,000	309,000	10.1%
1988	3,100,000	278,000	9.0%
1989	3,087,000	266,000	8.6%
1990	3,084,000	297,000	9.6%
1991	3,085,000	329,000	10.7%
1992	3,086,000	322,000	10.4%
1993	3,081,000	374,000	12.1%
1994	3,120,000	356,000	11.4%
1995	3,173,000	406,000	12.8%
1996	3,169,000	416,000	13.1%
1997	3,157,000	388,000	12.3%
1998	3,103,000	331,000	10.7%
1999	3,118,000	327,000	10.5%
2000	3,127,000	309,000	9.9%
2001	3,107,000	295,000	9.5%

TABLE 1.7: POVERTY TRENDS, SINGLE-PARENT MOTHERS UNDER 65 WITH CHILDREN UNDER 18

	All Single-Parent Mothers	Poor Single Mothers	Poverty Rate
1980	351,000	201,000	57.2%
1981	344,000	184,000	53.5%
1982	374,000	222,000	59.2%
1983	379,000	231,000	60.8%
1984	405,000	252,000	62.3%
1985	395,000	241,000	61.0%
1986	378,000	217,000	57.5%
1987	397,000	230,000	58.0%
1988	412,000	224,000	54.4%
1989	429,000	225,000	52.4%
1990	461,000	273,000	59.3%
1991	475,000	282,000	59.4%
1992	561,000	317,000	56.4%
1993	581,000	342,000	58.8%
1994	517,000	290,000	56.1%
1995	528,000	299,000	56.7%
1996	545,000	317,000	58.1%
1997	540,000	295,000	54.8%
1998	561,000	288,000	51.4%
1999	546,000	269,000	49.2%
2000	531,000	234,000	44.2%
2001	512,000	217,000	42.4%

TABLE 1.8: POVERTY TRENDS, SINGLE-PARENT FATHERS UNDER 65 WITH CHILDREN UNDER 18

	All Single-Parent Fathers	Poor Single Fathers	Poverty Rate
1980	54,000	13,000	24.7%
1981	59,000	--	--
1982	62,000	16,000	25.9%
1983	52,000	15,000	28.8%
1984	58,000	16,000	27.3%
1985	52,000	14,000	27.4%
1986	66,000	14,000	21.9%
1987	55,000	--	--
1988	62,000	15,000	23.9%
1989	57,000	--	--
1990	77,000	20,000	25.6%
1991	68,000	16,000	23.6%
1992	76,000	14,000	18.8%
1993	92,000	28,000	30.6%
1994	84,000	27,000	32.1%
1995	85,000	26,000	30.8%
1996	89,000	25,000	27.7%
1997	92,000	21,000	23.3%
1998	101,000	23,000	22.4%
1999	104,000	21,000	19.8%
2000	109,000	16,000	14.9%
2001	111,000	21,000	19.3%

-- Sample size too small

TABLE 1.9: POVERTY TRENDS, COUPLES UNDER 65 WITHOUT CHILDREN UNDER 18			
	All Childless Couples < 65	Poor Childless Couples	Poverty Rate
1980	1,312,000	87,000	6.6%
1981	1,339,000	98,000	7.3%
1982	1,361,000	122,000	8.9%
1983	1,370,000	135,000	9.9%
1984	1,371,000	136,000	9.9%
1985	1,440,000	122,000	8.5%
1986	1,454,000	130,000	9.0%
1987	1,522,000	136,000	9.0%
1988	1,541,000	120,000	7.8%
1989	1,607,000	117,000	7.3%
1990	1,627,000	133,000	8.2%
1991	1,634,000	148,000	9.0%
1992	1,645,000	141,000	8.6%
1993	1,648,000	157,000	9.6%
1994	1,702,000	163,000	9.6%
1995	1,697,000	173,000	10.2%
1996	1,761,000	170,000	9.7%
1997	1,760,000	158,000	9.0%
1998	1,778,000	147,000	8.3%
1999	1,819,000	166,000	9.1%
2000	1,880,000	150,000	8.0%
2001	1,949,000	158,000	8.1%

TABLE 1.10: POVERTY TRENDS, COUPLES 65 AND OLDER			
	All Couples 65 +	Poor Couples 65 +	Poverty Rate
1980	539,000	108,000	20.1%
1981	547,000	111,000	20.2%
1982	578,000	77,000	13.3%
1983	597,000	87,000	14.6%
1984	597,000	94,000	15.7%
1985	620,000	96,000	15.5%
1986	676,000	99,000	14.7%
1987	683,000	91,000	13.3%
1988	713,000	90,000	12.6%
1989	724,000	71,000	9.8%
1990	762,000	58,000	7.6%
1991	781,000	65,000	8.4%
1992	807,000	64,000	7.9%
1993	803,000	71,000	8.8%
1994	838,000	50,000	5.9%
1995	873,000	59,000	6.7%
1996	854,000	65,000	7.6%
1997	862,000	64,000	7.4%
1998	885,000	61,000	6.9%
1999	914,000	45,000	4.9%
2000	910,000	41,000	4.5%
2001	923,000	58,000	6.3%

TABLE 1.11: POVERTY TRENDS, UNATTACHED INDIVIDUALS UNDER 65

	All Unattached Individuals <65	Poor Unattached Individuals <65	Poverty Rate	All Unattached Women <65	Poor Unattached Women <65	Poverty Rate	All Unattached Men <65	Poor Unattached Men <65	Poverty Rate
1980	1,741,000	597,000	34.3%	808,000	329,000	40.7%	933,000	268,000	28.7%
1981	1,802,000	596,000	33.1%	837,000	327,000	39.1%	965,000	268,000	27.8%
1982	1,903,000	660,000	34.7%	866,000	320,000	37.0%	1,037,000	340,000	32.8%
1983	1,928,000	754,000	39.1%	838,000	352,000	42.0%	1,090,000	402,000	36.9%
1984	2,020,000	755,000	37.4%	904,000	381,000	42.2%	1,116,000	374,000	33.5%
1985	2,071,000	780,000	37.7%	904,000	382,000	42.3%	1,167,000	398,000	34.1%
1986	2,140,000	777,000	36.3%	946,000	383,000	40.5%	1,194,000	394,000	33.0%
1987	2,198,000	794,000	36.1%	973,000	381,000	39.2%	1,225,000	413,000	33.7%
1988	2,262,000	802,000	35.4%	1,003,000	412,000	41.1%	1,259,000	390,000	30.9%
1989	2,355,000	760,000	32.3%	1,050,000	397,000	37.8%	1,305,000	363,000	27.8%
1990	2,422,000	797,000	32.9%	1,042,000	390,000	37.4%	1,380,000	407,000	29.5%
1991	2,504,000	906,000	36.2%	1,099,000	447,000	40.7%	1,405,000	459,000	32.7%
1992	2,568,000	953,000	37.1%	1,082,000	441,000	40.7%	1,486,000	512,000	34.5%
1993	2,564,000	946,000	36.9%	1,060,000	433,000	40.8%	1,504,000	513,000	34.1%
1994	2,628,000	1,017,000	38.7%	1,099,000	498,000	45.3%	1,529,000	518,000	33.9%
1995	2,677,000	1,004,000	37.5%	1,155,000	471,000	40.8%	1,522,000	533,000	35.0%
1996	2,743,000	1,125,000	41.0%	1,121,000	507,000	45.2%	1,622,000	618,000	38.1%
1997	2,804,000	1,155,000	41.2%	1,169,000	540,000	46.2%	1,635,000	616,000	37.7%
1998	2,851,000	1,084,000	38.0%	1,198,000	524,000	43.7%	1,653,000	560,000	33.9%
1999	2,901,000	1,107,000	38.2%	1,208,000	513,000	42.5%	1,693,000	595,000	35.1%
2000	2,957,000	1,040,000	35.2%	1,265,000	527,000	41.7%	1,692,000	513,000	30.3%
2001	2,984,000	1,021,000	34.2%	1,258,000	507,000	40.3%	1,726,000	514,000	29.8%

TABLE 1.12: POVERTY TRENDS, UNATTACHED INDIVIDUALS 65 AND OLDER

	All Unattached Individuals 65 +	Poor Unattached Individuals 65+	Poverty Rate	All Unattached Women 65+	Poor Unattached Women 65+	Poverty Rate	All Unattached Men 65+	Poor Unattached Men 65+	Poverty Rate
1980	688,000	473,000	68.8%	500,000	358,000	71.7%	188,000	115,000	61.0%
1981	720,000	479,000	66.6%	529,000	371,000	70.1%	191,000	108,000	56.8%
1982	699,000	459,000	65.6%	524,000	368,000	70.2%	175,000	91,000	51.9%
1983	749,000	509,000	68.1%	568,000	406,000	71.6%	181,000	103,000	57.0%
1984	734,000	463,000	63.1%	559,000	367,000	65.7%	175,000	96,000	55.0%
1985	758,000	463,000	61.0%	580,000	372,000	64.2%	178,000	90,000	50.7%
1986	782,000	457,000	58.4%	599,000	367,000	61.3%	183,000	89,000	49.0%
1987	832,000	460,000	55.3%	634,000	375,000	59.2%	198,000	85,000	42.8%
1988	879,000	494,000	56.2%	675,000	414,000	61.4%	204,000	80,000	39.2%
1989	901,000	470,000	52.2%	685,000	391,000	57.1%	216,000	79,000	36.5%
1990	950,000	481,000	50.7%	722,000	388,000	53.7%	228,000	94,000	41.1%
1991	955,000	491,000	51.4%	724,000	394,000	54.5%	231,000	97,000	42.0%
1992	961,000	476,000	49.6%	723,000	392,000	54.2%	238,000	85,000	35.6%
1993	1,021,000	534,000	52.3%	759,000	429,000	56.5%	262,000	105,000	40.1%
1994	1,019,000	482,000	47.4%	763,000	402,000	52.7%	256,000	80,000	31.4%
1995	1,034,000	463,000	44.8%	771,000	388,000	50.3%	263,000	75,000	28.5%
1996	1,035,000	473,000	45.7%	776,000	385,000	49.6%	259,000	88,000	33.9%
1997	1,043,000	463,000	44.4%	772,000	379,000	49.1%	271,000	84,000	31.1%
1998	1,057,000	466,000	44.1%	780,000	372,000	47.7%	277,000	95,000	34.2%
1999	1,071,000	455,000	42.4%	798,000	368,000	46.1%	273,000	86,000	31.6%
2000	1,084,000	466,000	43.0%	799,000	371,000	46.4%	285,000	95,000	33.3%
2001	1,093,000	461,000	42.2%	802,000	365,000	45.6%	291,000	95,000	32.8%

II. VIEW FROM THE PROVINCES

Poverty rates in the provinces, like the national poverty rates, tend to go up and down with the state of the economy. There are some important differences from province to province, however, that are closely linked with the strengths and weaknesses of the different provincial economies. Ontario, for example, has the largest and often the most robust economy and generally has low poverty rates.

Provincial government social programs may also influence poverty rates. A number of provinces offer income supports to low-income seniors that supplement federal income support programs and have helped to lower poverty rates over the years.

In this chapter, we look at the poverty rates for all persons, unattached individuals and families in all ten provinces from 1980 through 2001. We start with the most recent snapshot and then take a look back to the earlier years. The three territories are not included, because Statistics Canada excludes them from the annual surveys used to generate the poverty statistics.

The tables at the end of the chapter provide provincial poverty rates in 2001 for seven of the nine most common family types. No statistics were available by province for couples 65 and older and single-parent fathers under 65 with children under 18 because of the small size of the two groups.

Table 2.1 gives the three main provincial poverty statistics, both numbers and rates, for 2001. The poverty rate for all persons ranged from a low of 11.7 percent in Ontario to a high of 17.6 percent in Newfoundland and Labrador. The rate for unattached individuals went from 30.9 percent in Ontario to 53.1 percent in Newfoundland and Labrador. The Ontario rate turned out to be the lowest rate in 22 years for unattached persons in any province. The poverty rate for families went from 9.2 percent in Ontario to 14.8 percent in Newfoundland and Labrador.

TABLE 2.1: POVERTY BY PROVINCE, 2001						
	All Poor Persons		Poor Unattached Individuals		Poor Families	
	Number	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate
Newfoundland and Labrador	93,000	17.6%	21,000	53.1%	24,000	14.8%
Prince Edward Island	18,000	12.8%	6,000	39.6%	4,000	9.5%
Nova Scotia	144,000	15.8%	47,000	41.9%	33,000	12.1%
New Brunswick	104,000	14.1%	37,000	42.1%	25,000	11.4%
Quebec	1,251,000	17.2%	465,000	41.6%	263,000	12.7%
Ontario	1,378,000	11.7%	429,000	30.9%	300,000	9.2%
Manitoba	186,000	17.2%	58,000	38.3%	38,000	12.8%
Saskatchewan	140,000	14.7%	50,000	37.1%	28,000	10.3%
Alberta	395,000	13.2%	132,000	33.7%	80,000	9.6%
British Columbia	683,000	17.0%	238,000	37.2%	144,000	13.1%
Canada	**4,393,000**	**14.4%**	**1,482,000**	**36.3%**	**938,000**	**11.0%**

The 2001 statistics were little changed from 2000, and there were both ups and downs from one year to the next. Prince Edward Island, Quebec, Manitoba and Alberta posted slightly lower rates in 2001 in each of the three categories shown in Table 2.1. Nova Scotia and British Columbia had slightly higher rates in 2001 in all three categories. The results were mixed in the remaining four provinces.

Figures 2.1 through 2.20 on the pages that follow show the poverty rates by province over time, beginning in 1980. The figures on the top of each page have a line that tracks the provincial poverty rate for all persons. The actual rates for each year appear as numbers just over or just under the line. By way of comparison, the figures also have a plain line with no numbers that shows the national poverty rate for all persons.

The figures at the bottom of each page give the provincial poverty rates for families and unattached individuals. Each of those lines has a corresponding line without numbers showing the national poverty rates.

Some of the figures show consistent patterns over the years and others do not. The most striking patterns over the years are in the two largest provinces. Quebec consistently has poverty rates higher than average, and Ontario is consistently lower than average.

A closer look at the poverty rates for 1989 and 2001 underlines the analysis in the first chapter that Canada has not yet fully rebounded from the recession of 1990-1991. New Brunswick, Manitoba, Saskatchewan and Alberta all had lower poverty rates for all persons, unattached individuals and families in 2001 than they did prior to the recession in 1989. Newfoundland and Labrador and British Columbia had higher rates in 2001 than in 1989 in all three categories. Other provinces had higher rates in one or two categories and lower rates in the other categories.

During the entire 22 years covered in the figures, the highest poverty rate for all persons was 26.7 percent in Newfoundland and Labrador in 1983. The lowest rate was 10.6 percent in Ontario in 1989 and Prince Edward Island in 1992. There was not a single year in any province when the poverty rates for all persons got down to single digits.

The highest provincial rate for unattached individuals was 66.5 percent in Prince Edward Island in 1980, and the lowest was 30.9 percent in Ontario in 2001. Even the rate of 30.9 percent is excessively high compared to the poverty rates for families. The highest provincial rate for families was 24.8 percent in Newfoundland and Labrador in 1983, and the lowest was 6.9 percent in Prince Edward Island in 1992.

Figure 2.1: Newfoundland and Labrador Trends for All Persons

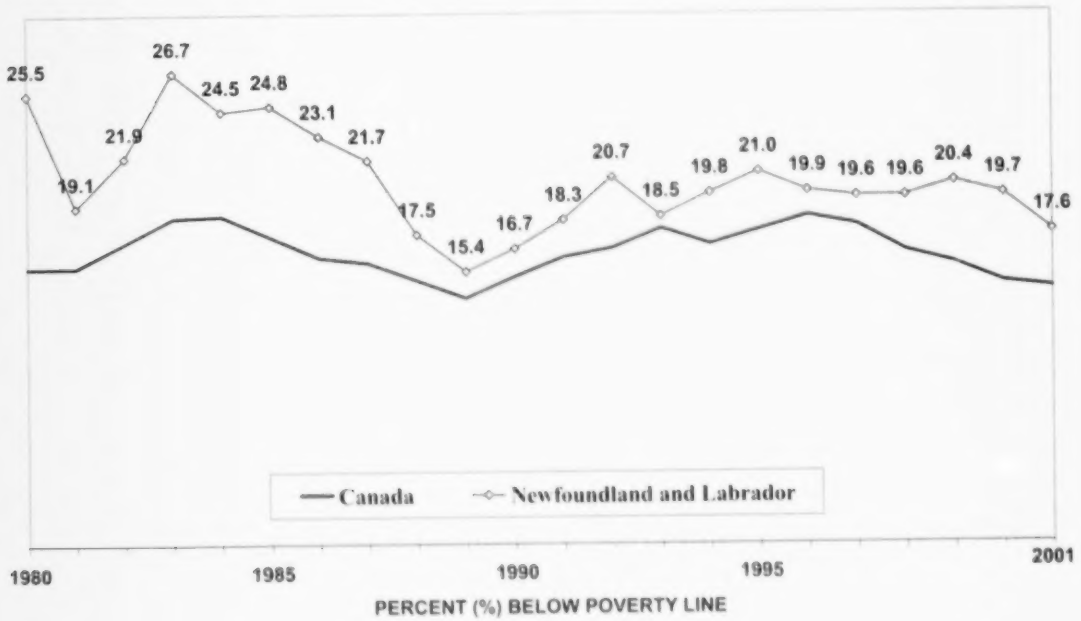


Figure 2.2: Newfoundland and Labrador Families and Unattached Individuals

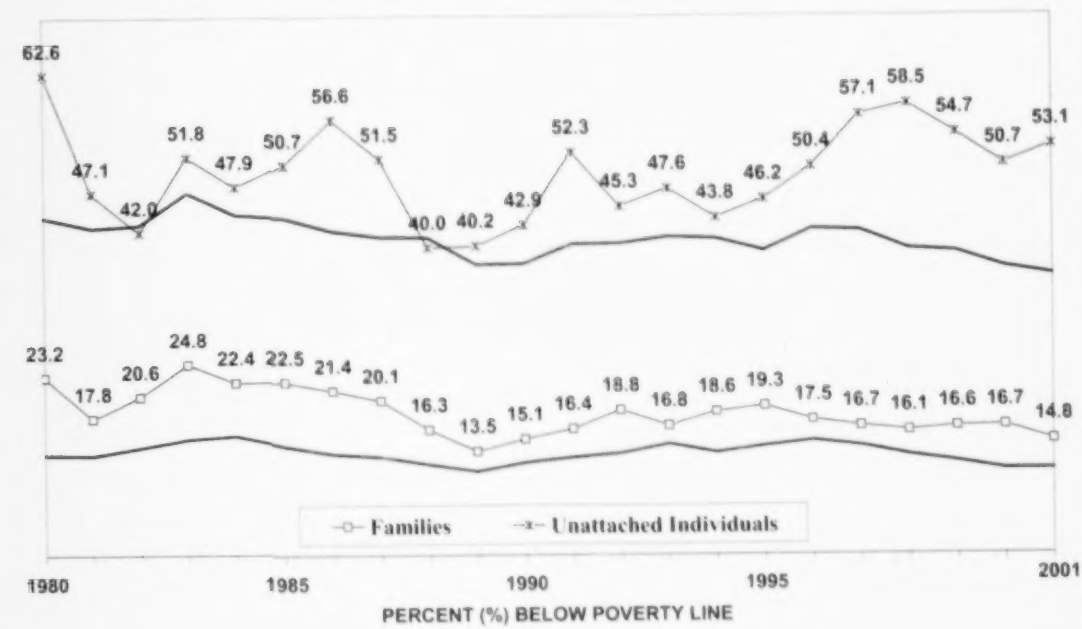


Figure 2.3: Prince Edward Island
Trends for All Persons

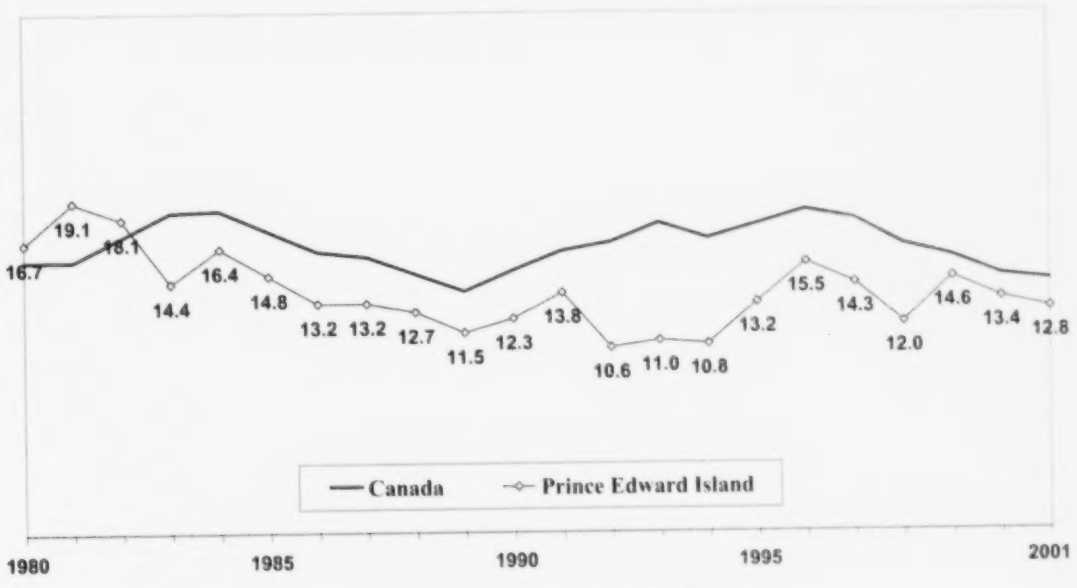


Figure 2.4: Prince Edward Island
Families and Unattached Individuals

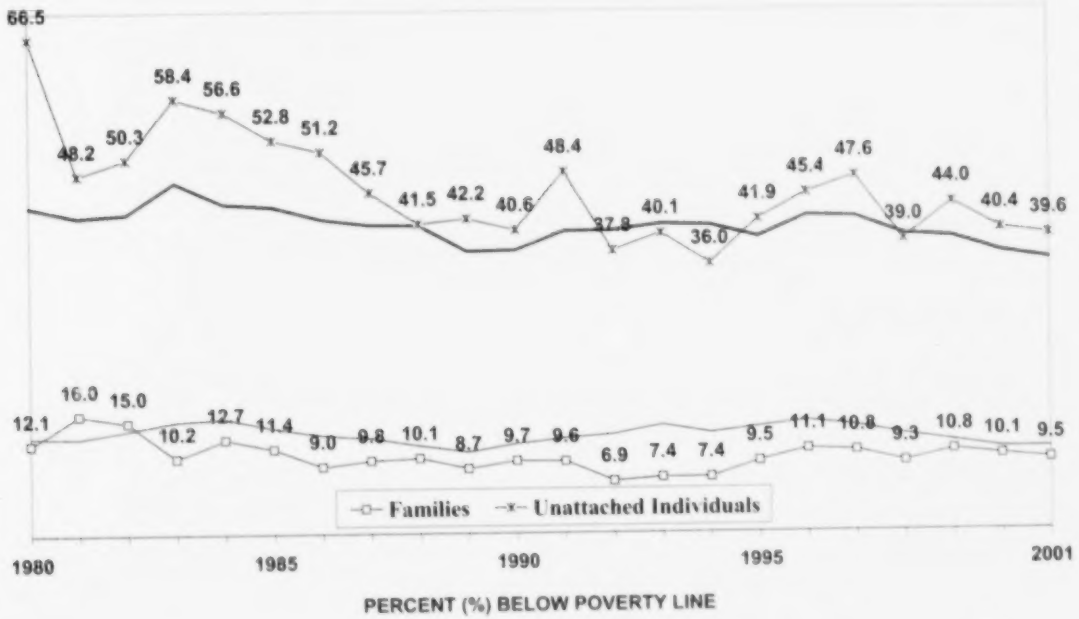


Figure 2.5: Nova Scotia
Trends for All Persons

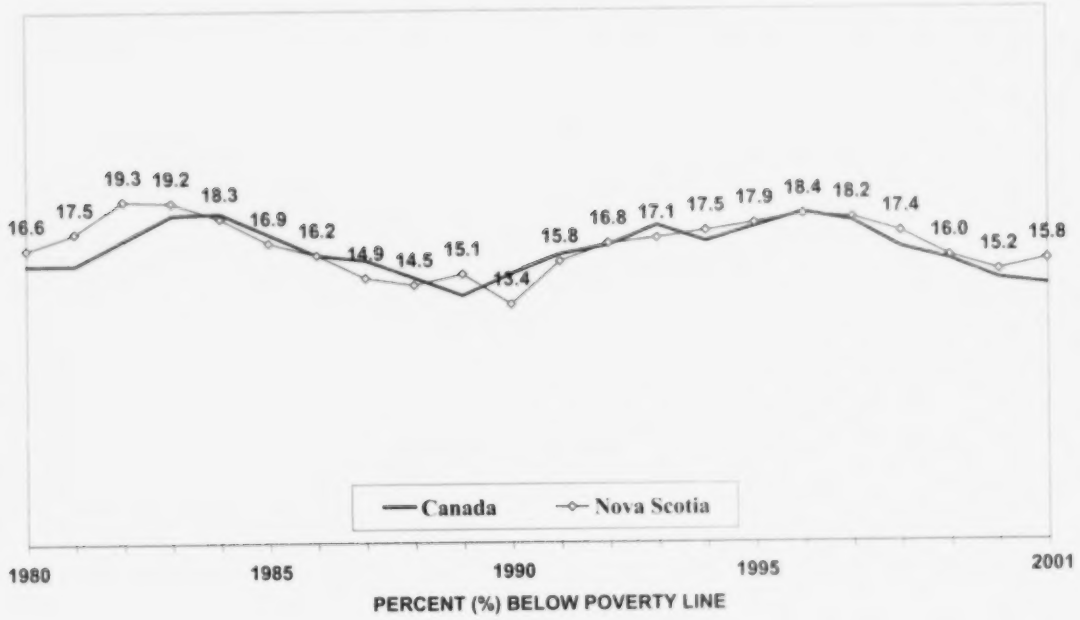


Figure 2.6: Nova Scotia
Families and Unattached Individuals

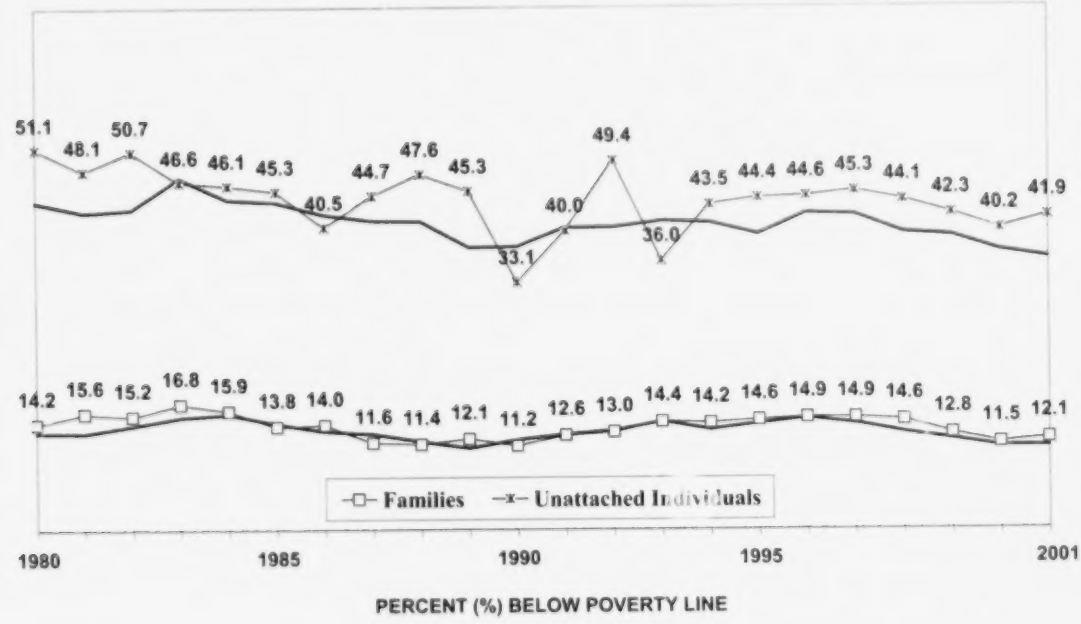


Figure 2.7: New Brunswick Trends for All Persons

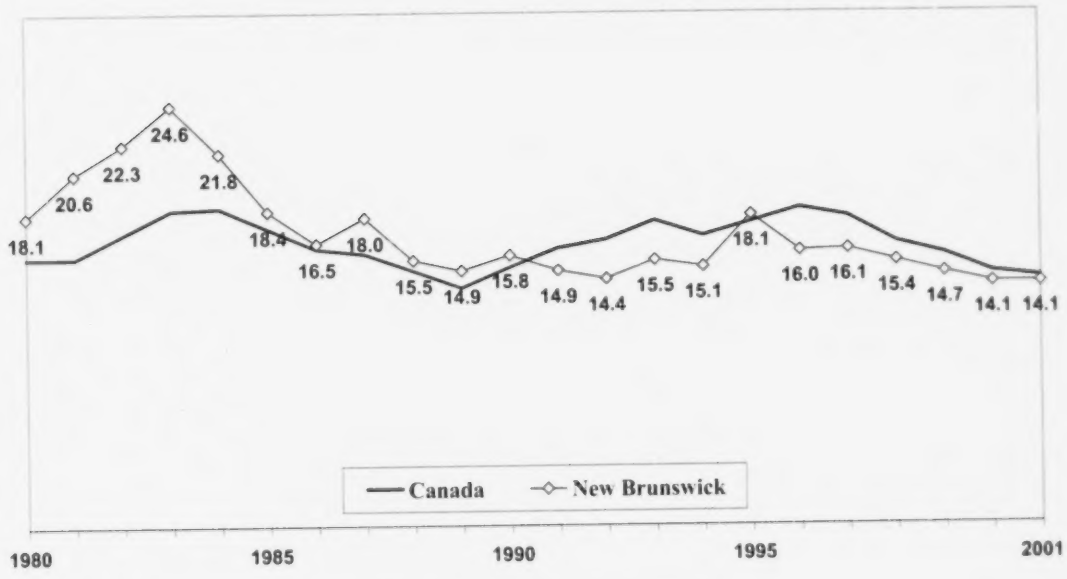


Figure 2.8: New Brunswick Families and Unattached Individuals

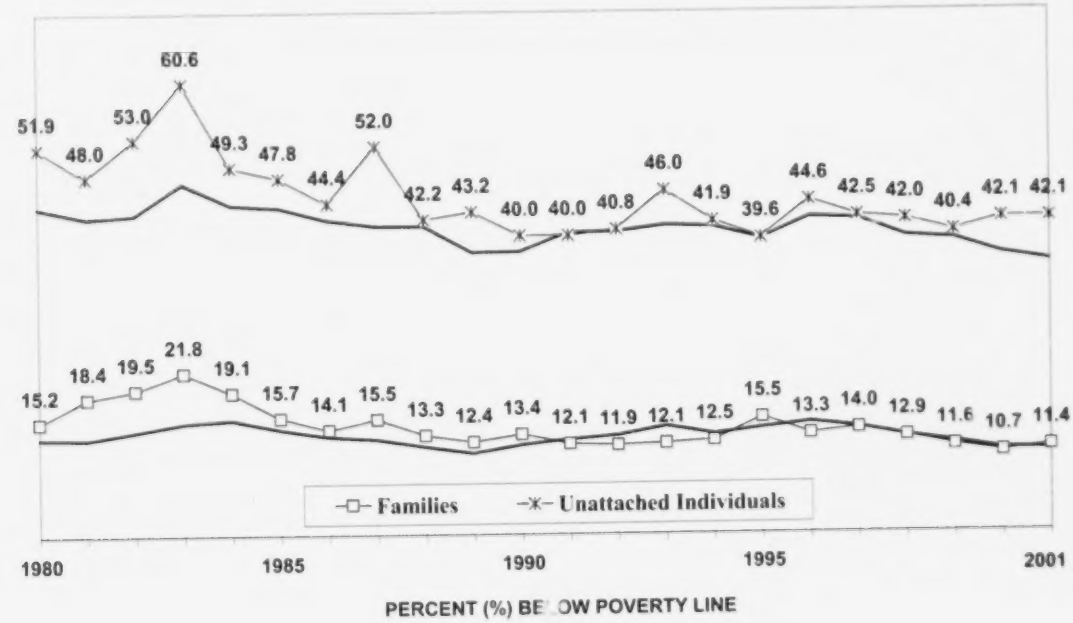


Figure 2.9: Quebec
Trends for All Persons

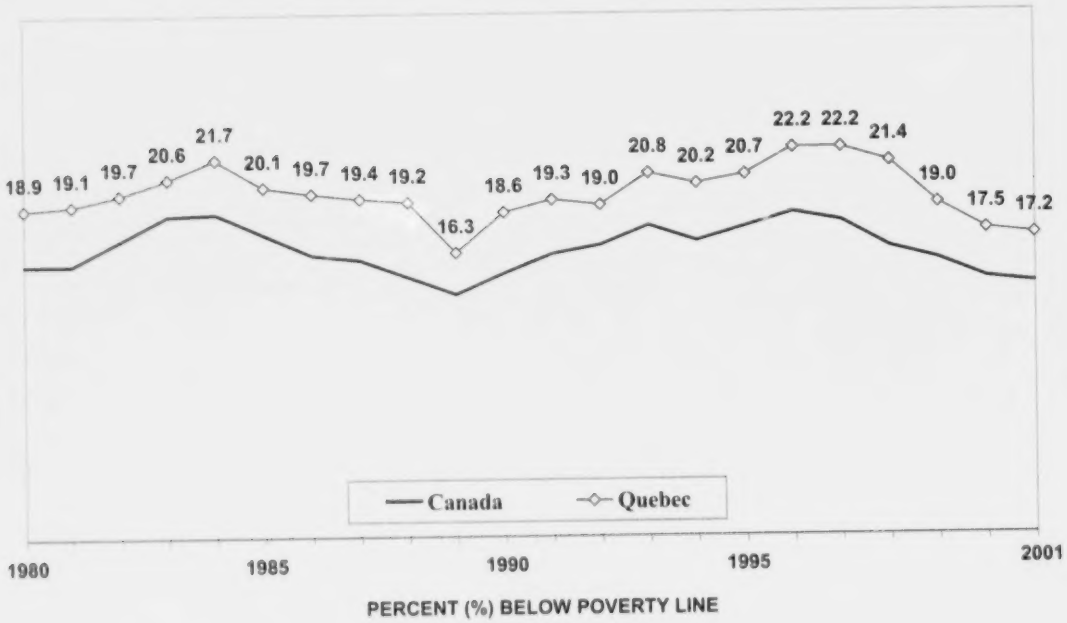


Figure 2.10: Quebec
Families and Unattached Individuals

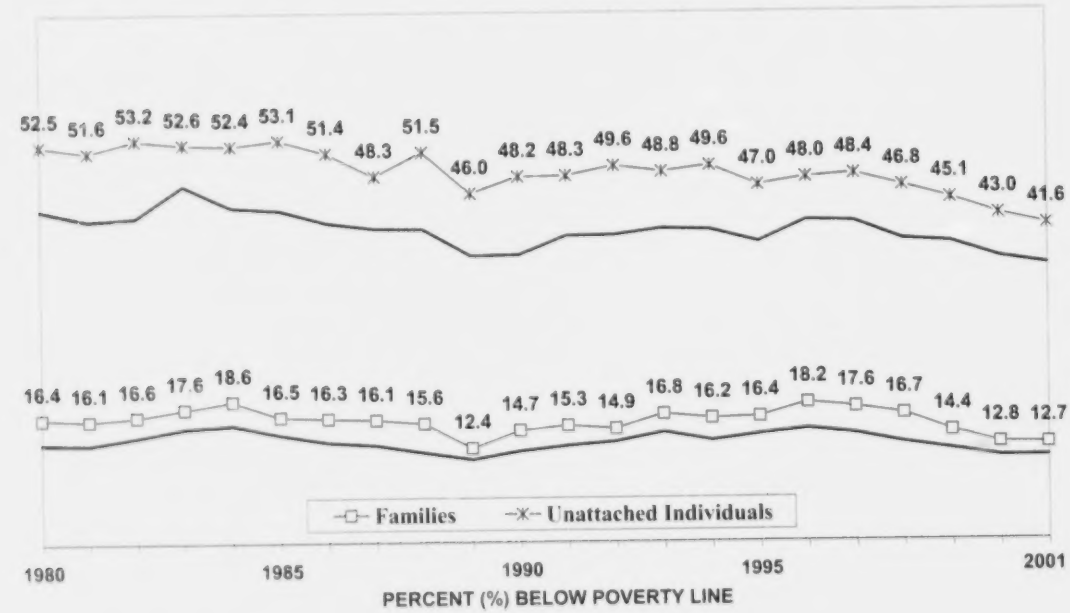


Figure 2.11: Ontario
Trends for All Persons

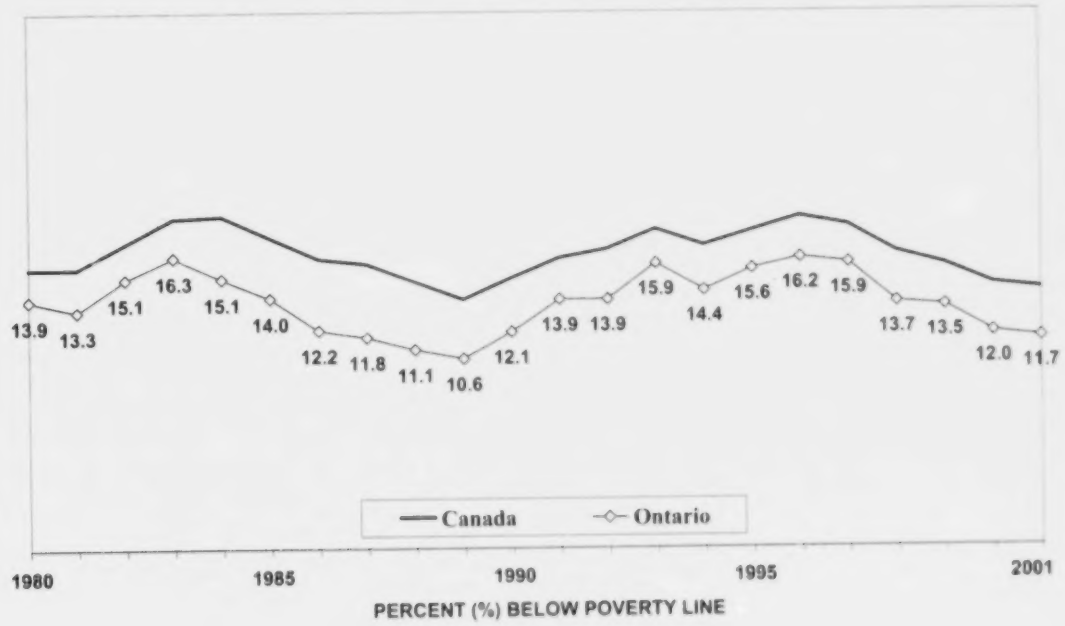


Figure 2.12: Ontario
Families and Unattached Individuals

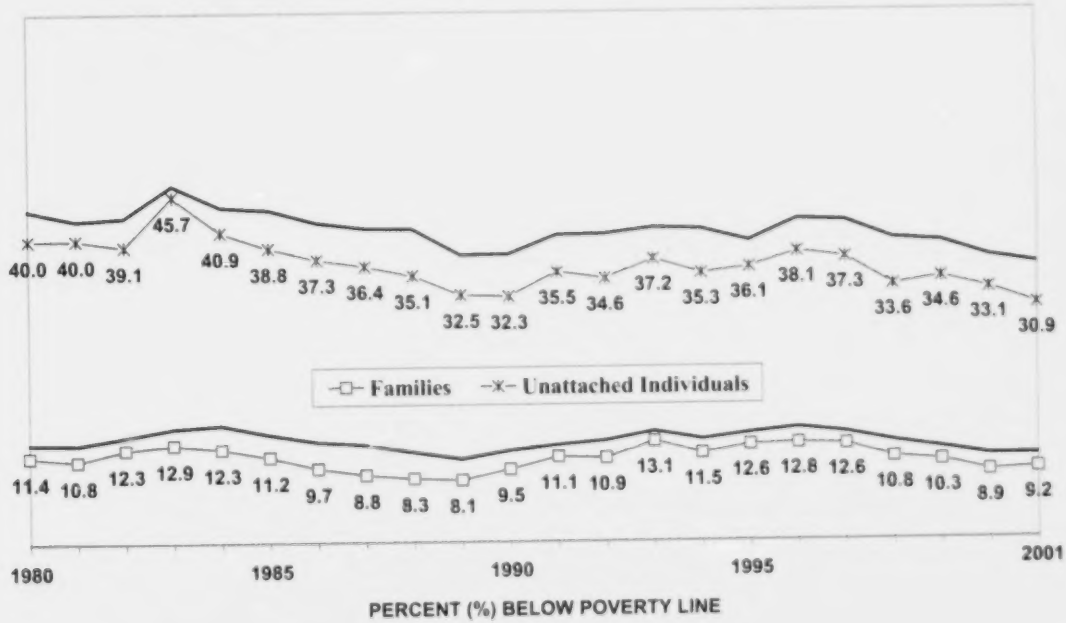


Figure 2.13: Manitoba
Trends for All Persons

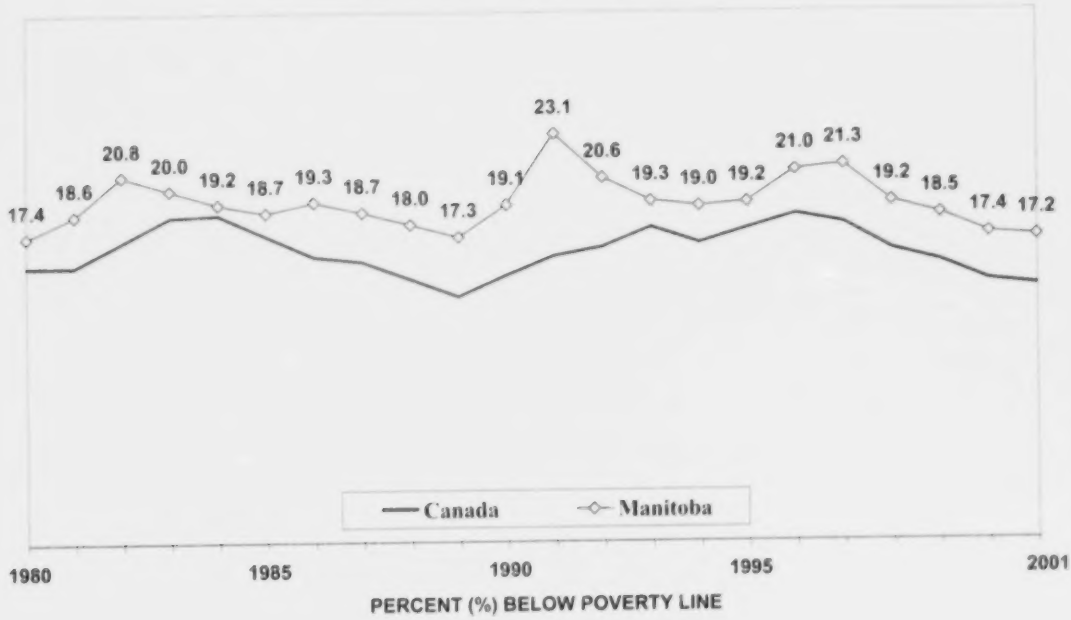


Figure 2.14: Manitoba
Families and Unattached Individuals

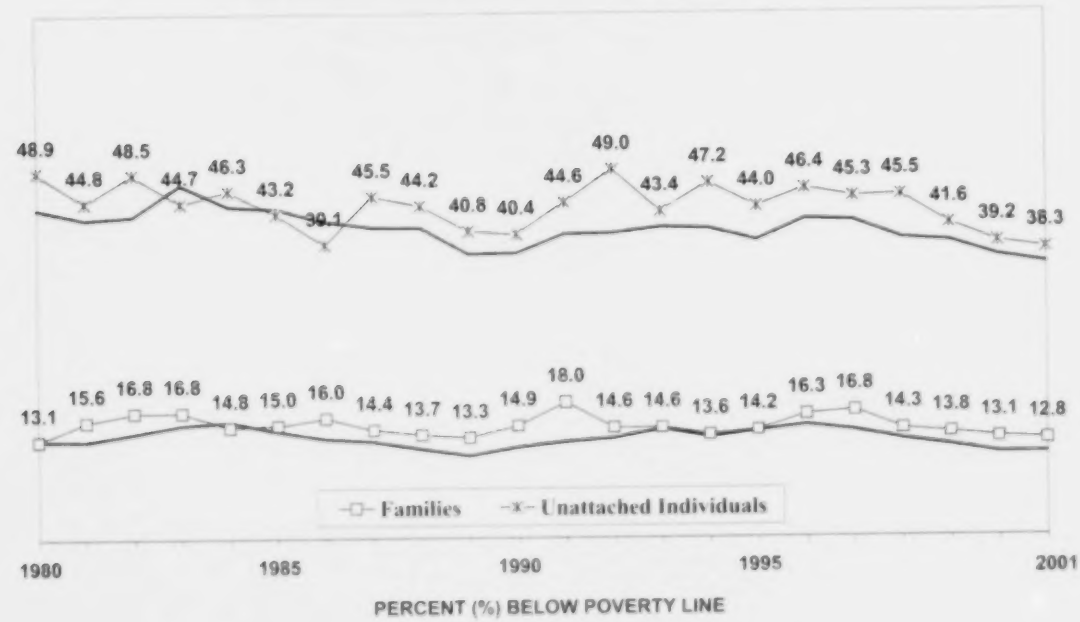


Figure 2.15: Saskatchewan Trends for All Persons

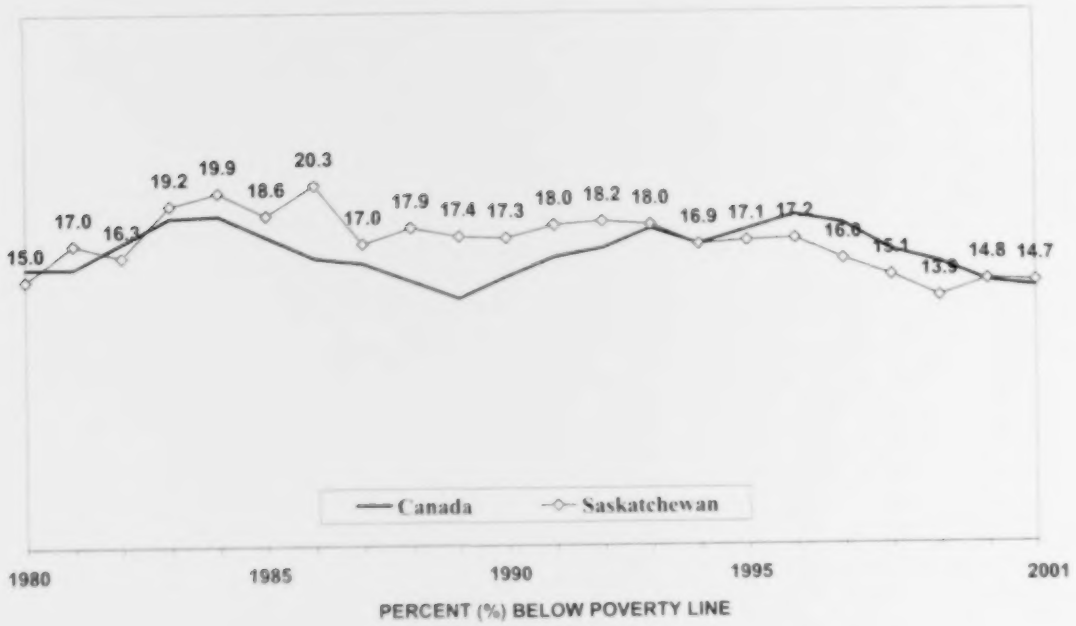


Figure 2.16: Saskatchewan Families and Unattached Individuals

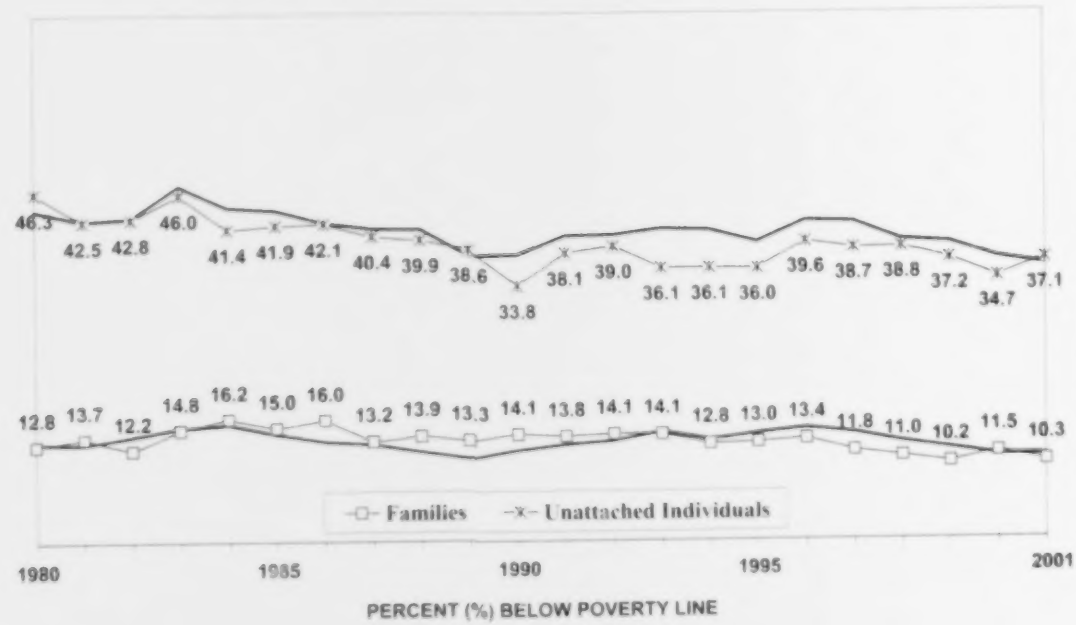


Figure 2.17: Alberta
Trends for All Persons

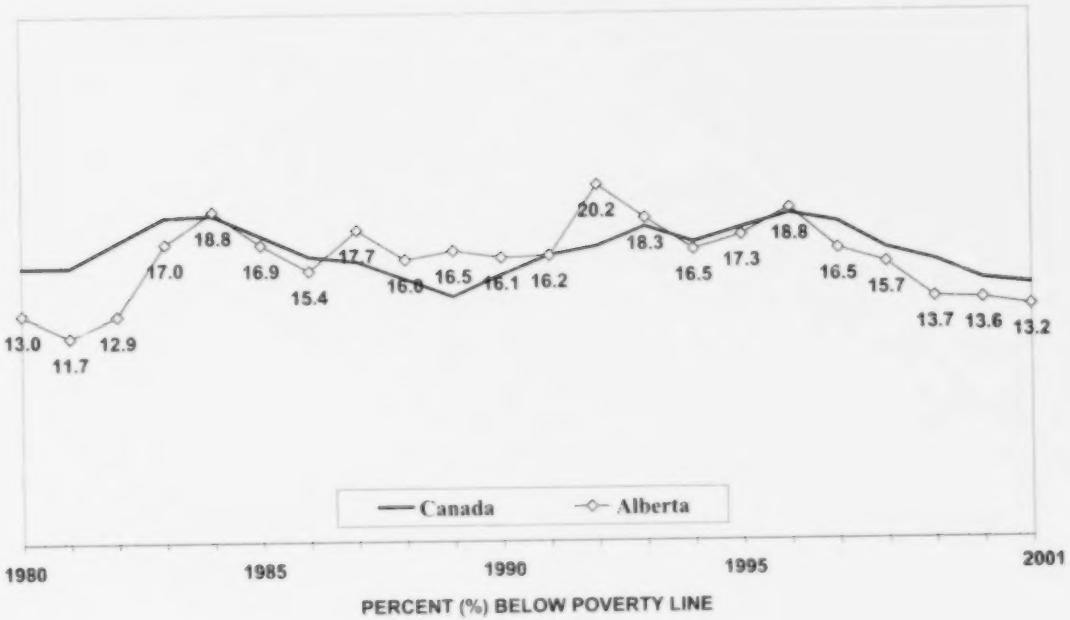


Figure 2.18: Alberta
Families and Unattached Individuals

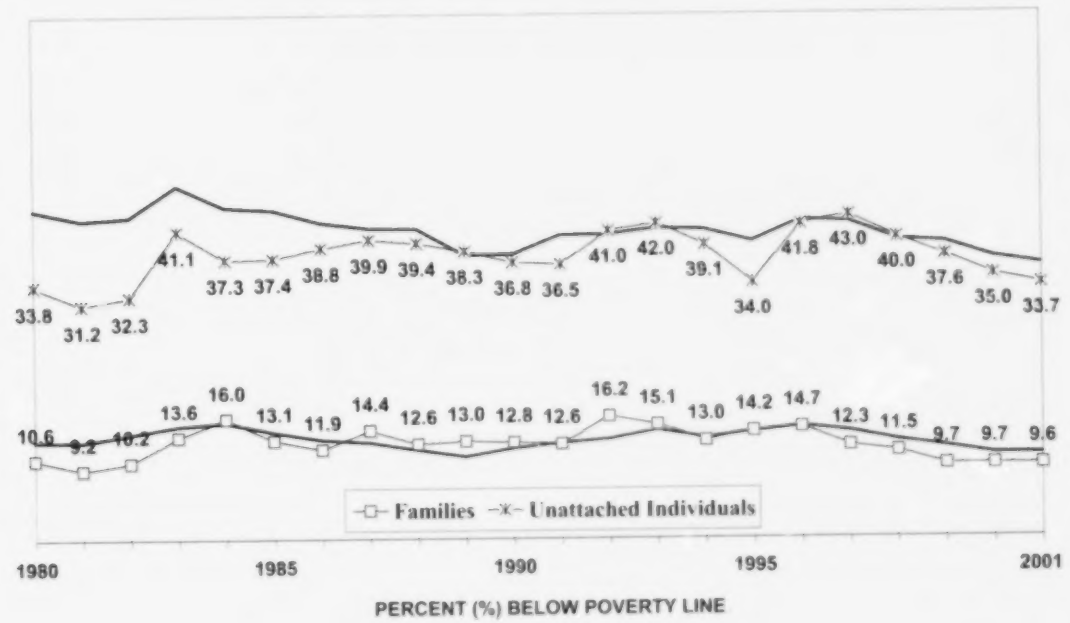


Figure 2.19: British Columbia Trends for All Persons

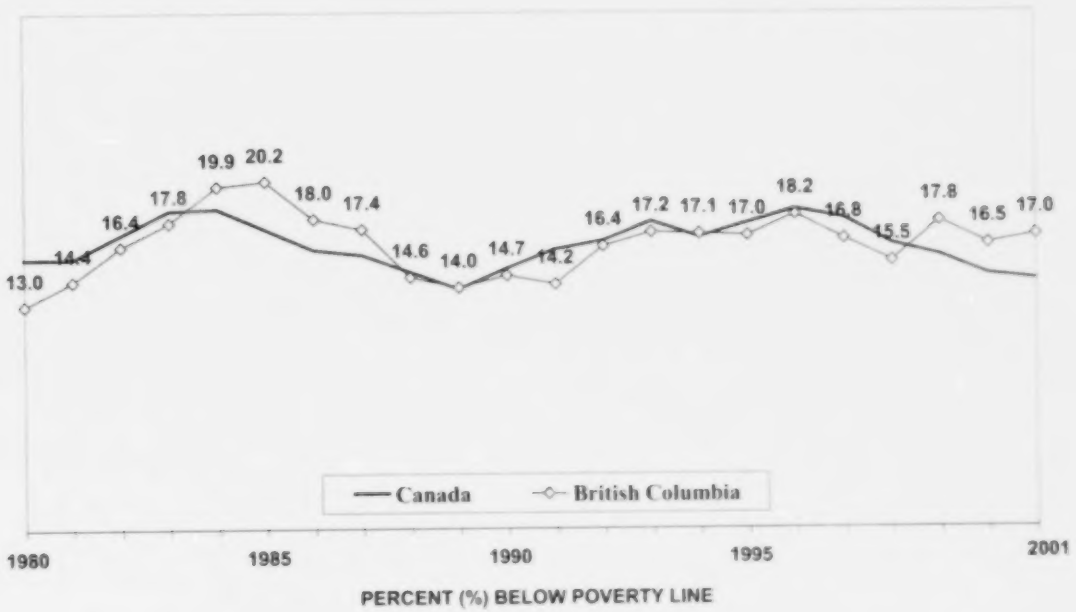


Figure 2.20: British Columbia Families and Unattached Individuals

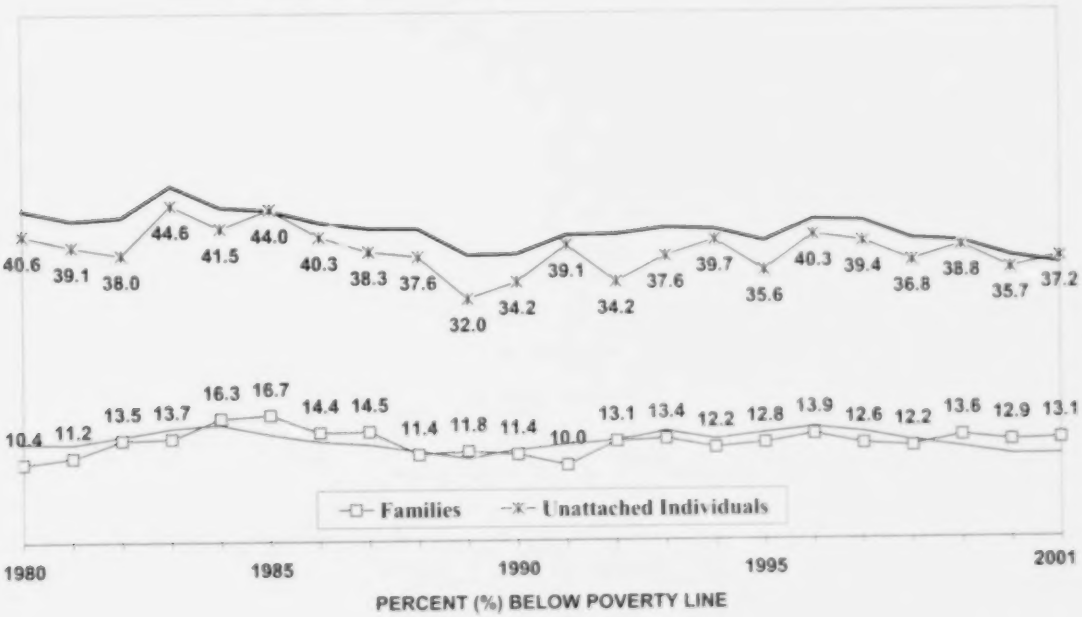


TABLE 2.2: POVERTY BY PROVINCE AND FAMILY TYPE, 2001						
	Single-Parent Mothers < 65		Two-Parent Families < 65		Couples < 65 Without Children	
	Poor Families	Poverty Rate	Poor Families	Poverty Rate	Poor Families	Poverty Rate
Newfoundland and Labrador	5,000	49.5%	8,000	13.9%	5,000	13.6%
Prince Edward Island	--	--	--	--	--	--
Nova Scotia	7,000	48.8%	10,000	10.5%	8,000	12.0%
New Brunswick	7,000	52.6%	6,000	8.5%	6,000	10.7%
Quebec	56,000	42.3%	77,000	11.0%	51,000	10.3%
Ontario	71,000	38.3%	96,000	7.8%	42,000	6.1%
Manitoba	12,000	54.7%	12,000	10.5%	--	--
Saskatchewan	9,000	42.9%	9,000	9.0%	4,000	7.1%
Alberta	16,000	39.0%	34,000	9.9%	15,000	7.6%
British Columbia	34,000	47.4%	42,000	10.9%	22,000	7.9%
Canada	**217,000**	**42.4%**	**295,000**	**9.5%**	**158,000**	**8.1%**

-- Sample size too small

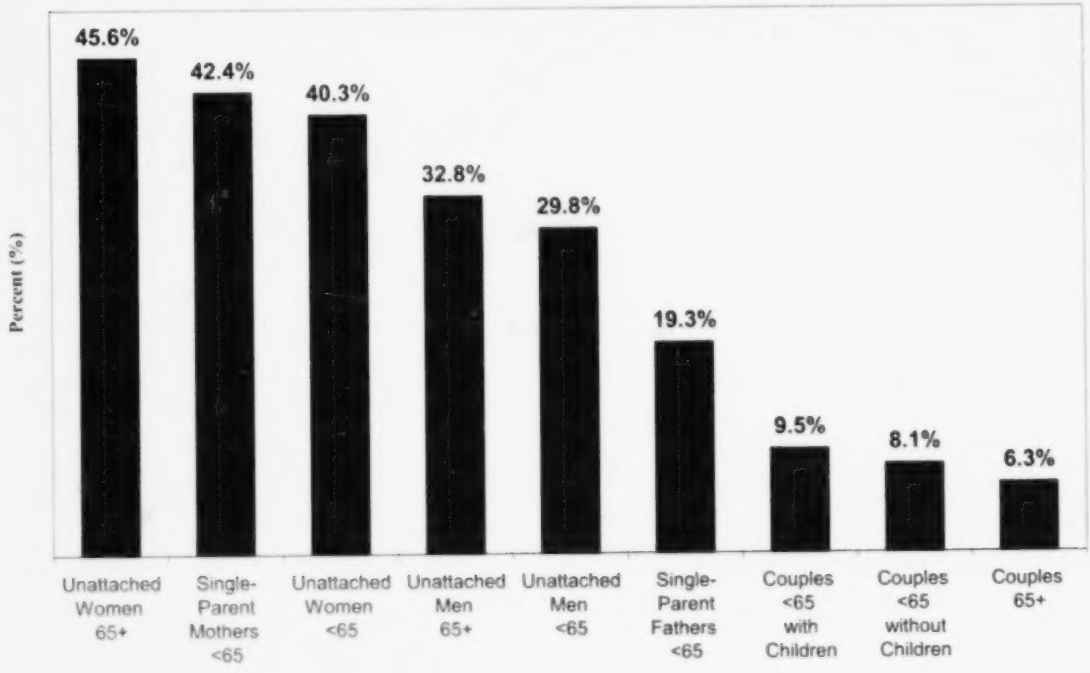
III. SNAPSHOTS OF POVERTY IN 2001

Poverty rates vary with family type, sex, age group, level of education, housing status and the population of the area of residence. Among families with children, rates vary with the number of children in the family and the age group of the children. Among immigrants, there are important differences based on the number of years they have been in Canada.

FAMILY TYPE

Probably the most important overall determinant of poverty in Canada is family type, notably the nine different types of families and unattached individuals described earlier in this report. Figure 3.1 ranks the family types according to their 2001 poverty rates, with the highest rates on the left and the lowest on the right.

Figure 3.1: Poverty Rates by Family Type, 2001



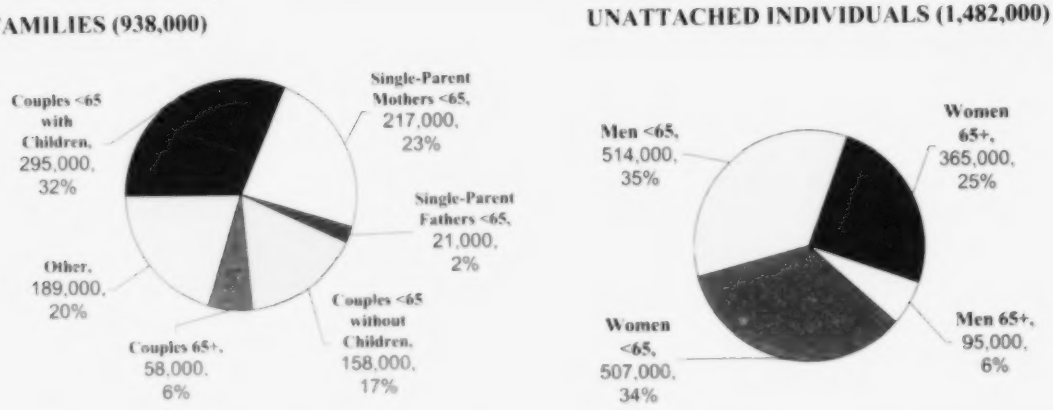
Unattached women 65 and older had a poverty rate of 45.6 percent in 2001, the highest rate for any family type for the second year in a row. Single-parent mothers under 65 had the second highest rate at 42.4 percent. The family type with the lowest poverty rate was senior couples, with a rate of 6.3 percent.

The poverty rate for unattached senior women has been falling very modestly, while the rate for single-parent mothers started falling sharply in recent years. The reasons for the drop are by no means clear, but the result was that starting in 2000 single-parent mothers finally relinquished their long-standing position as the family type with the highest poverty rate to unattached senior women.

Stepping back from Figure 3.1, it is clear that the four family types of unattached individuals and the two types of single-parent families all had very high or relatively high poverty rates in 2001, and the three family types that included couples all had low poverty rates. The simple explanation for the disparity is that many couples had both partners in the paid labour force or both partners bringing in pension income in their own names.

Poverty rates measure the risk of poverty within any given group, but policy-makers, researchers and advocacy groups also need to know the number of poor people or poor family units. Figure 3.2 is made up of two pie charts, one showing the distribution of all poor families and the other showing the distribution of all poor unattached individuals in 2001.

Figure 3.2: Distribution of Poor Families and Unattached Individuals, 2001


FAMILIES (938,000)
Couples <65 with Children, 295,000, 32%
Single-Parent Mothers <65, 217,000, 23%
Single-Parent Fathers <65, 21,000, 2%
Couples <65 without Children, 158,000, 17%
Couples 65+, 58,000, 6%
Other, 189,000, 20%
UNATTACHED INDIVIDUALS (1,482,000)
Men <65, 514,000, 35%
Women 65+, 365,000, 25%
Men 65+, 95,000, 6%
Women <65, 507,000, 34%

In the pie on the left, the two largest slices represent the 295,000 poor two-parent families under 65 with children and the 217,000 poor families headed by single-parent mothers under 65. The two-parent families had a relatively low poverty rate, but accounted for a large number of poor families nonetheless. The single-parent mothers had a high poverty rate and also made up a large number of poor families.

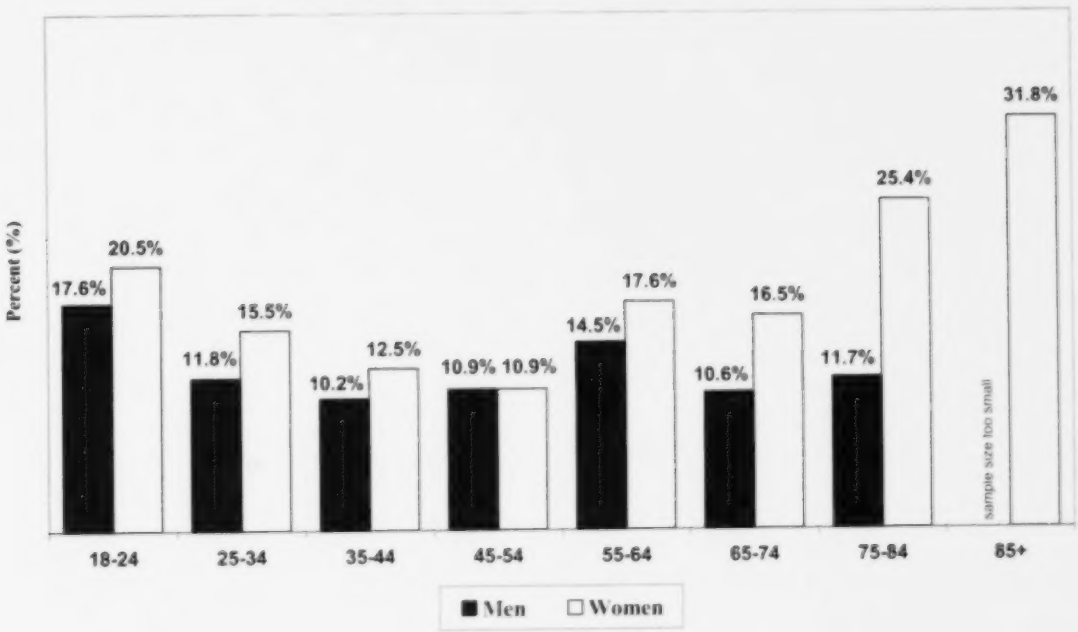
The pie on the right shows the number of poor unattached women and men under and over 65. The number of poor unattached women and men under 65 was almost the same, but the number of poor unattached senior women was nearly four times the number of poor unattached senior men.

AGE GROUP AND SEX

Women and men have identical poverty rates when they live together as couples, but women who are unattached or single parents have long had higher poverty rates than men who are unattached or single parents. When all women and all men are considered together and the poverty rates are calculated by person rather than family unit, women often have a higher overall rate.

The differences between the sexes are related in part to age, as in Figure 3.3, and changes in family circumstances that are often linked to age.

Figure 3.3: Poverty Rates for Persons by Age Group and Sex, 2001



The gap between the sexes tends to narrow as more and more people form couples in their twenties and thirties. By the age group 45 to 54, the poverty rates for women and men were identical. From the age group 55 to 64 upwards, the gap got wider and wider, presumably as more men died and more women became widows. By the age group 85 and older, the poverty rate for women hit 31.8 percent. The rate for men could not be reliably reported because of the relatively small number of men 85 and older.

FAMILY TYPE AND AGE GROUP

The statistics on age group have to be tempered with the statistics on family type. The next four figures look at the two sets of statistics in tandem for four family types under age 65: single-parent mothers, two-parent families, couples without children, and unattached men and women combined into one family type.

Figure 3.4 and Figure 3.5 feature the two family types with children. The poverty rates for both family types decrease with the age of the parents. In the case of the single-parent mothers, the range was from an unbelievably high poverty rate of 74 percent for parents under 25 to a high, but much more reasonable rate of 23.6 percent for parents 45 to 54. The sample size for the age group 55 to 64 was too small to be reported.

The same general pattern applied in the case of two-parent families. There were not enough poor two-parent families under age 25 or ages 55 to 64 to be reported.

Figure 3.4: Poverty Rates by Family Type for Age Group of Major Income Earner, 2001

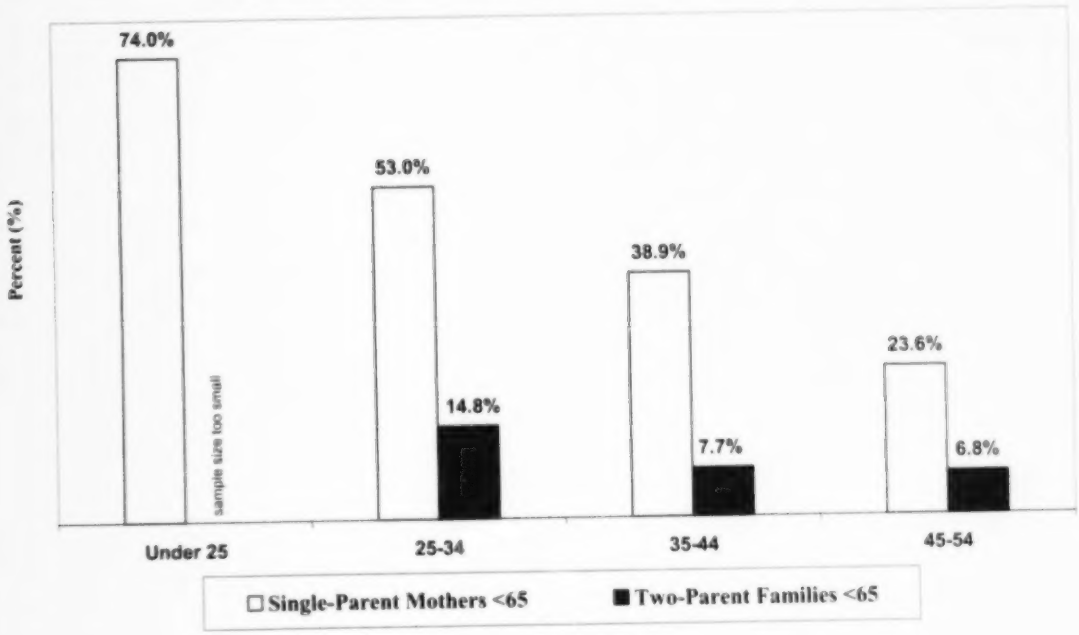
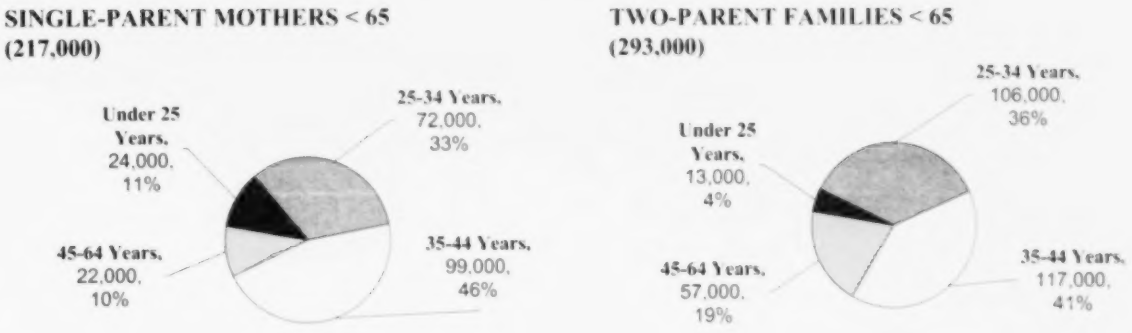


Figure 3.5: Distribution of Poor Families by Age Group of Major Income Earner, 2001



As Figure 3.5 shows, the overwhelming number of poor parents were in two age groups: 25 to 34 and 35 to 44. That should come as no surprise, because women in Canada most often have children when they are in their twenties or thirties.

The figures on single-parent mothers are especially noteworthy, because so few of the poor single-parent mothers were under 25 and so many were 35 to 44. That shows clearly that marriage breakdown, not teenage pregnancy, was the main reason for the high rate of poverty among families headed by single-parent mothers.

The same analysis is used with couples under 65 without children and unattached individuals under 65. Figure 3.6 gives the poverty rates for the two family types. For the couples without children, the poverty rate was relatively high under age 25 and a bit high in the age group 55 to 64. For unattached individuals, the poverty rate was sky high under age 25 and very high in the age group 55 to 64.

The patterns suggest problems that younger people often have as they try to get established in the paid labour force, problems such as high unemployment rates among younger workers, a shortage of full-time, full-year jobs, and entry-level wages that are far below average wages. For people 55 to 64, the most likely explanations are personal health problems that tend to increase with age and the difficulties older workers often have finding work if they lose their jobs because of layoffs or plant closures.

Figure 3.7 shows that most poor couples under 65 without children were older couples, with 44 percent of the poor couples in the age group 55 to 64. Among unattached persons under 65, the distribution by age group was fairly even.

Figure 3.6: Poverty Rates by Family Type and Age Group of Major Income Earner, 2001

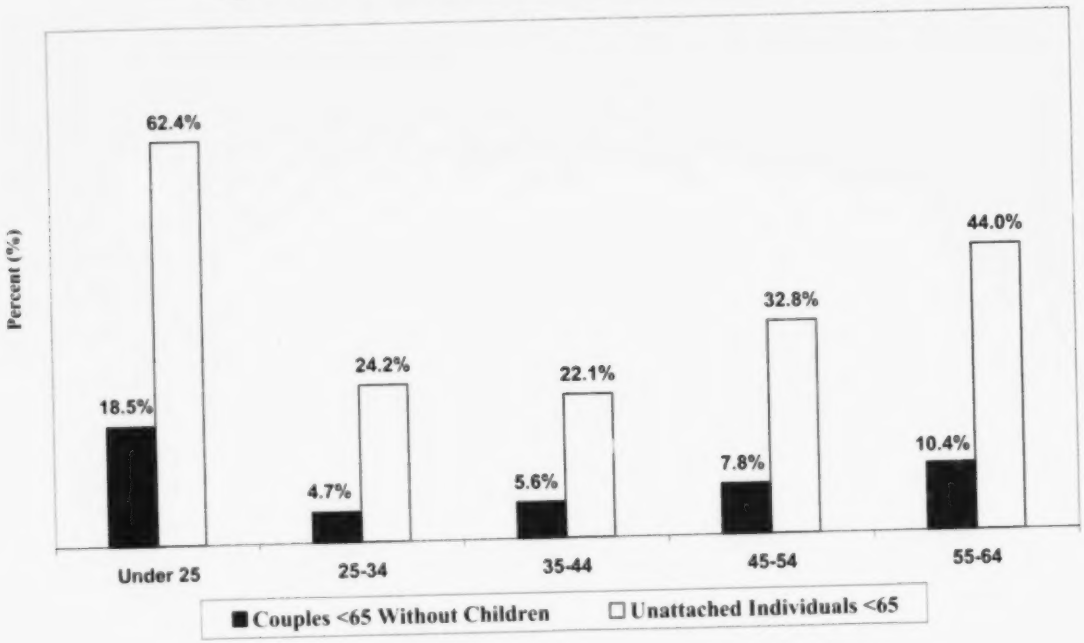
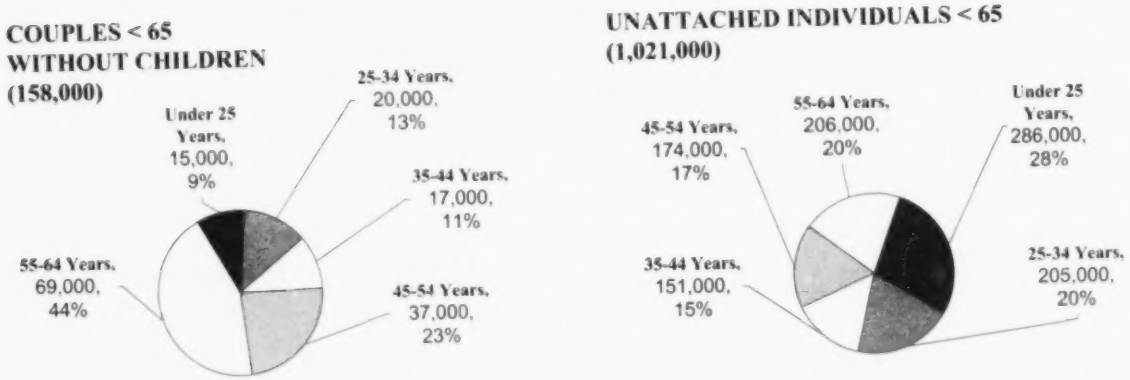


Figure 3.7: Distribution of Poor Families and Unattached Individuals by Age Group, 2001



YOUNG ADULTS

All in all, adults under 25 have the highest risk of poverty of any age group, even though their poverty rates have fallen somewhat since the mid-1990s.

Unattached individuals under 25 had a poverty rate of 62.4 percent in 2001, and families where the major income earner was under 25 had a poverty rate of 29.6 percent. The figure for the unattached was among the worst of any of the poverty rates in 2001.

Figure 3.8: Poverty Rates for Family Major Income Earner and Unattached Individuals Under 25, 2001

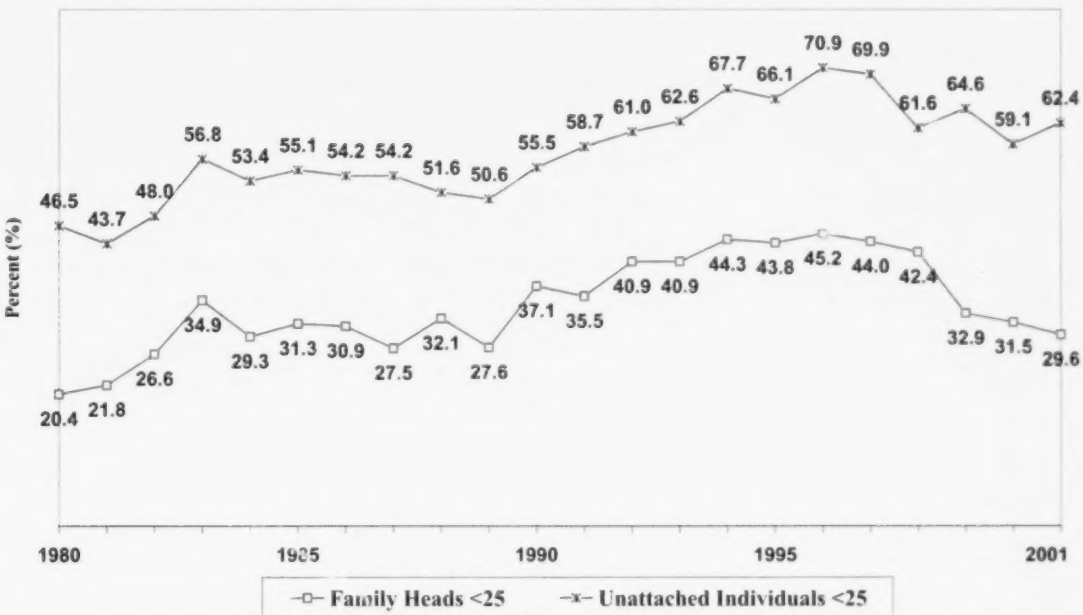


Figure 3.8 shows how the situation has deteriorated within the last generation. Poverty rates for young families and young unattached individuals rose and fell with the overall state of the economy, but young people lost ground with each successive economic cycle. Poverty rates rose with the recession of 1981-1982, but never got back to pre-recession levels during the latter 1980s. Rates started rising again with the recession of 1990-1991, hit even higher peak levels in 1996 and have still not recovered fully.

In relative terms, 2001 was a good year, but the poverty rates for young adults certainly did not look very good. The poverty rate for families under 25 was in the same general range as the poverty rate of 34.9 percent in 1983 - the worst year of the 1980s. The poverty rate for unattached individuals under 25 in 2001 was 62.4 percent - even higher than the rate of 56.8 percent in 1983.

NUMBER AND AGE GROUP OF CHILDREN

The overall poverty rate for single-parent mothers is very high, and the overall rate for couples with children is reasonably low. Within those two general ranges, however, there are significant differences based on the number of children in the family and whether the children are pre-schoolers or going to school.

Figure 3.9: Poverty Rates by Number and Age Group of Children, 2001

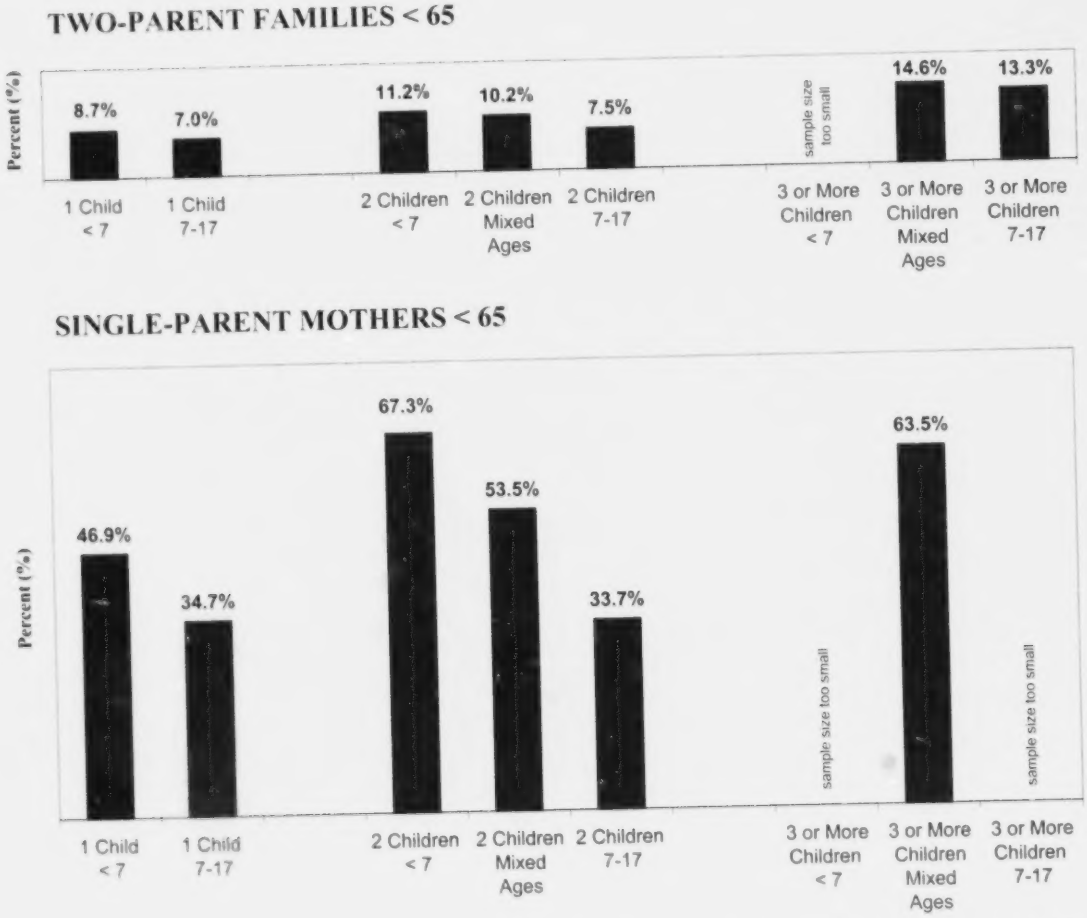


Figure 3.9 shows the variations by number of children and age group. The patterns are not perfect, but poverty rates generally increase with the number of children and decrease as the youngest child in the family starts going to school all day. As we will see later in the report, one-earner families have higher poverty rates than two-earner families, and many couples with young children find it difficult to have both spouses in the paid labour force because of

the lack of high-quality, affordable child care. That situation is often eased once the children are in grade school and no longer need full-day child care.

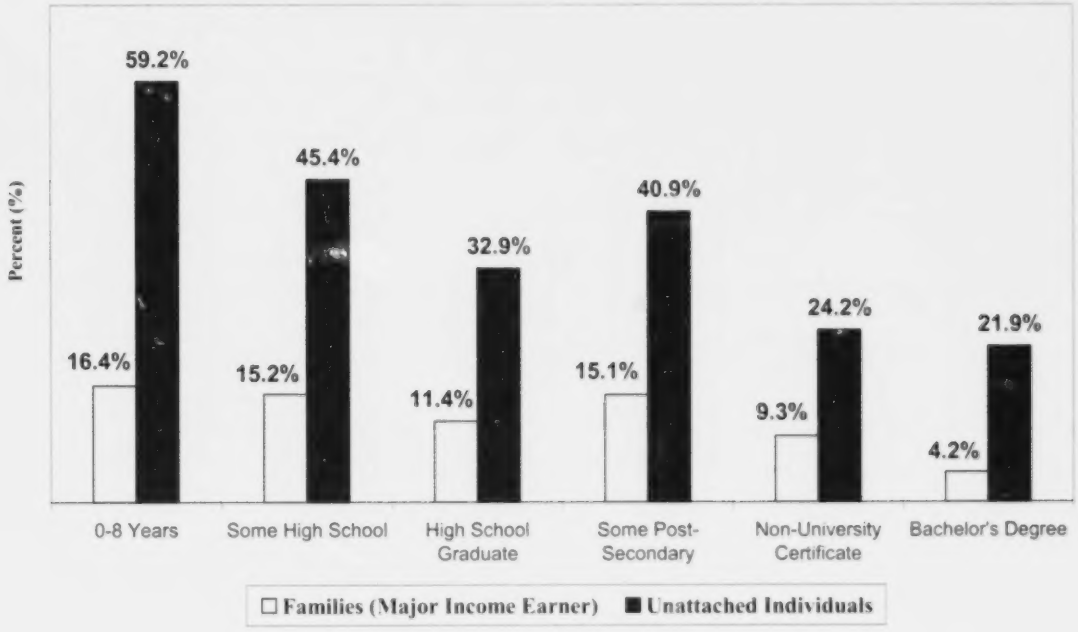
In the case of two-parent families under 65, the poverty rate for families with one child under seven was 8.7 percent in 2001, and the rate for families with one child aged seven to 17 was a bit lower at 7.0 percent. The rates rose as the number of children increased, but families where all the children were seven or older always had the lowest rate in their group. There were not enough families with three or more children under seven to produce reliable results.

The same general pattern applied to families led by single-parent mothers under 65, although there were not enough families with three or more children to draw any conclusions.

EDUCATION

The risk of poverty tends to fall as people get more education. Figure 3.10 shows the poverty rates according to the highest level of education completed by an unattached person or the major income earner in a family.

Figure 3.10: Poverty Rates by Highest Level of Education Completed, 2001

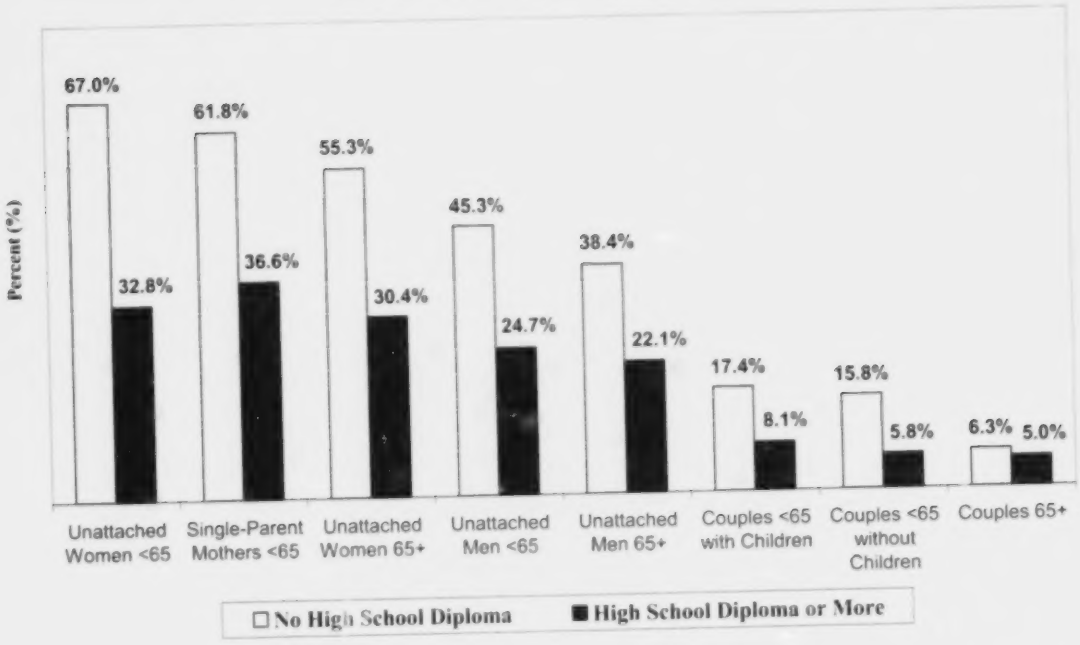


Unattached persons with eight years of school or less had a poverty rate of 59.2 percent in 2001, while those with a university bachelor's degree had a rate of 21.9 percent. The difference was almost as dramatic for families - from a rate of 16.4 percent in families where

the major income earner had eight years of schooling or less to 4.2 percent where the major income earner had a bachelor's degree. In both groups, there was a slight and unexplained bulge in the middle of the figure for those who had more than a high school education but less than a certificate or degree from a post-secondary institution.

The difference in poverty rates between families and unattached individuals at any given level of schooling is a strong indication that both education and family type are risk factors for poverty. An even stronger indication is found in Figure 3.11, which shows eight of the nine family types and two broad levels of education - less than high school and a high school diploma or more. Reliable statistics were not available in 2001 for the ninth family type, single-parent fathers under 65.

Figure 3.11: Poverty Rates by Family Type and Level of Education, 2001

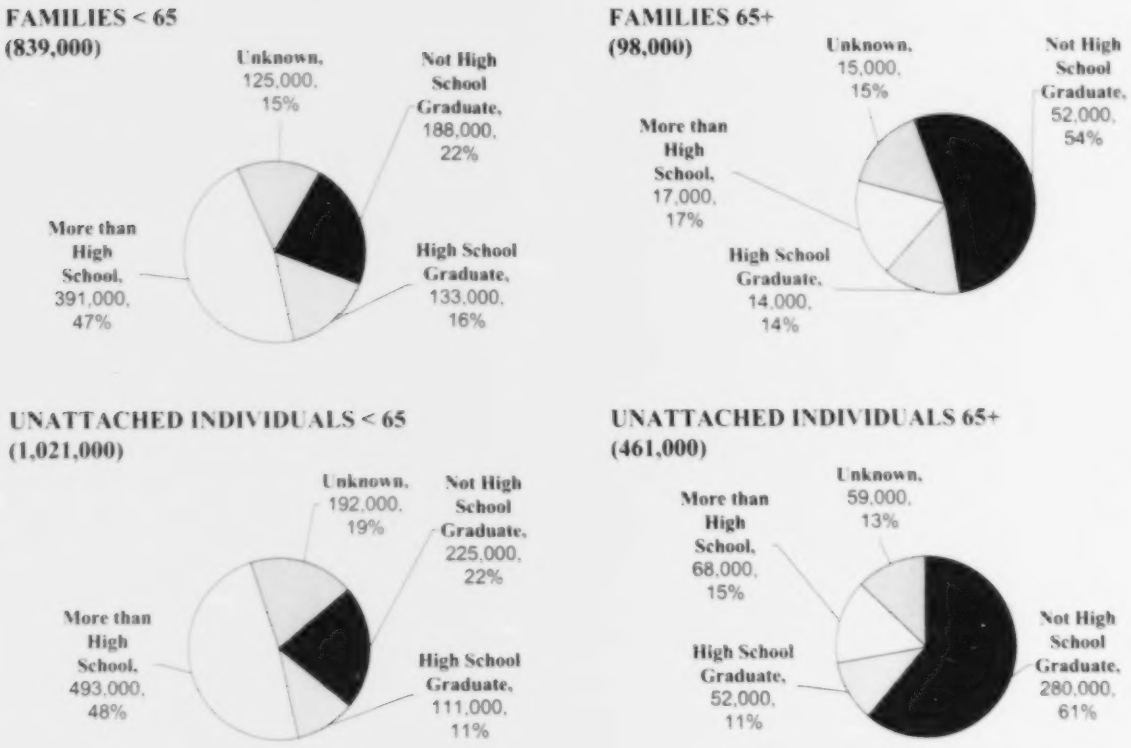


The bars in the figure are arranged according to the poverty rates for those without a high school diploma, with the highest rates at the left. Unattached women under 65 who did not have a high school diploma had the highest rate of 67 percent, and senior couples where the major income earner did not graduate from high school had the lowest rate of 6.3 percent. Among those who have a high school diploma or more, the highest poverty rate was 36.6 percent among single-parent mothers under 65, and the lowest rate was five percent among senior couples.

Each of the family types was better off with more education, but the fact remains that the poverty rates were invariably higher for unattached persons and single-parent mothers and lower for couples - the same pattern of poverty as family type alone.

In general, elderly people tend to have lower levels of education than younger generations. Also, education is more apt to be the key to success in the 21st century than it was in the earlier years of the last century, so it is not surprising to see lower levels of education among poor elderly families and unattached individuals as in Figure 3.12.

Figure 3.12: Distribution of Poor Families and Unattached Individuals by Level of Education, 2001

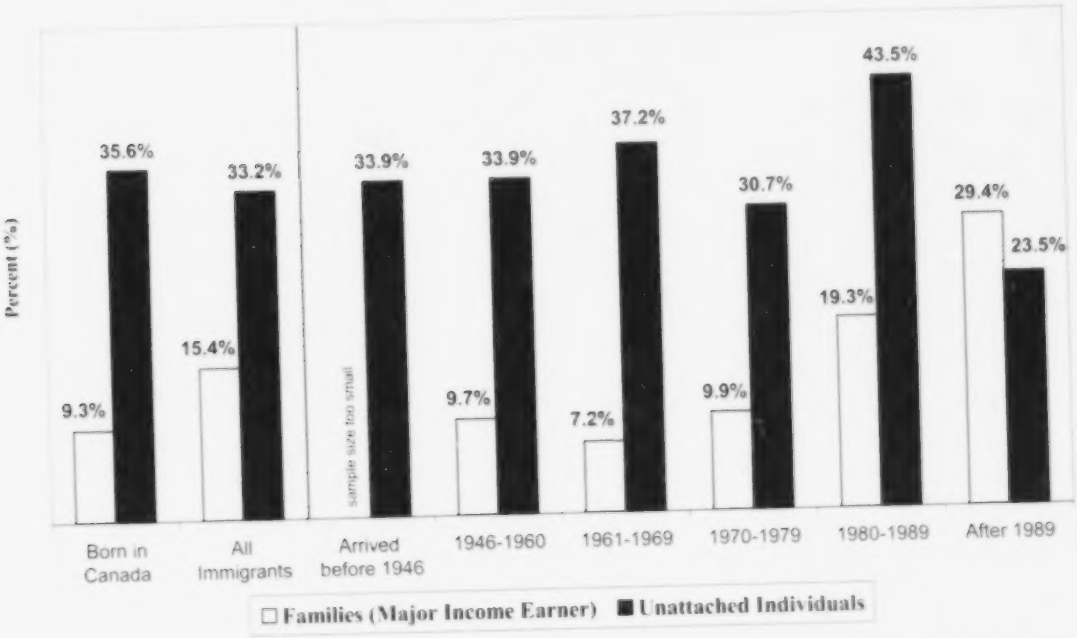

FAMILIES < 65
(839,000)
Unknown, 125,000, 15%
Not High School Graduate, 188,000, 22%
More than High School, 391,000, 47%
High School Graduate, 133,000, 16%
FAMILIES 65+
(98,000)
Unknown, 15,000, 15%
Not High School Graduate, 52,000, 54%
More than High School, 17,000, 17%
High School Graduate, 14,000, 14%
UNATTACHED INDIVIDUALS < 65
(1,021,000)
Unknown, 192,000, 19%
Not High School Graduate, 225,000, 22%
More than High School, 493,000, 48%
High School Graduate, 111,000, 11%
UNATTACHED INDIVIDUALS 65+
(461,000)
Unknown, 59,000, 13%
More than High School, 68,000, 15%
Not High School Graduate, 280,000, 61%
High School Graduate, 52,000, 11%

The pies show that nearly half of the poor unattached individuals under 65 and major income earners in poor families under 65 had more than a high school education. The pattern was entirely different for families and unattached persons 65 or older. Fifty-four percent of the major income earners in elderly families and 61 percent of the unattached seniors had less than a high school education. In each of the four categories, however, there were a significant number of cases where the level of education was not known.

PERIOD OF IMMIGRATION

The conventional wisdom about poverty and immigration is that the highest poverty rates usually apply to recent immigrants who are still getting settled in Canada, and the lowest poverty rates are usually found among immigrants who have been in Canada the longest. These observations are partly reflected in the 2001 poverty rates in Figure 3.13.

Figure 3.13: Poverty Rates by Period of Immigration, 2001



Among families where the major income earner was an immigrant, poverty rates ranged from 9.7 percent for people who arrived in Canada between 1946 and 1960 to 29.4 percent for people who arrived after 1989. The two bars on the left of the figure show a poverty rate of 15.4 for all families where the major income earner was an immigrant and the comparable rate of 9.3 percent for families where the major income earner was born in Canada.

Unfortunately, the 2001 statistics for unattached individuals include 205,000 poor people whose immigration status is not known. This large unknown group may explain why the poverty rate for unattached individuals who arrived in Canada after 1989 was unusually low. It may also have affected the other poverty rates for unattached individuals.

HOUSING STATUS

Poverty rates are lower for families and unattached individuals who own their own homes than they are for non-owners, or people who rent their accommodations from someone outside the household. Figure 3.14 shows the poverty rates for owners and non-owners in four groups: families under 65, families 65 and older, unattached individuals under 65, and unattached individuals 65 and older. Figure 3.15 contains four pies with the number of owners and non-owners in each group, plus others where the housing status was not known.

Figure 3.14: Poverty Rates by Housing Status, 2001

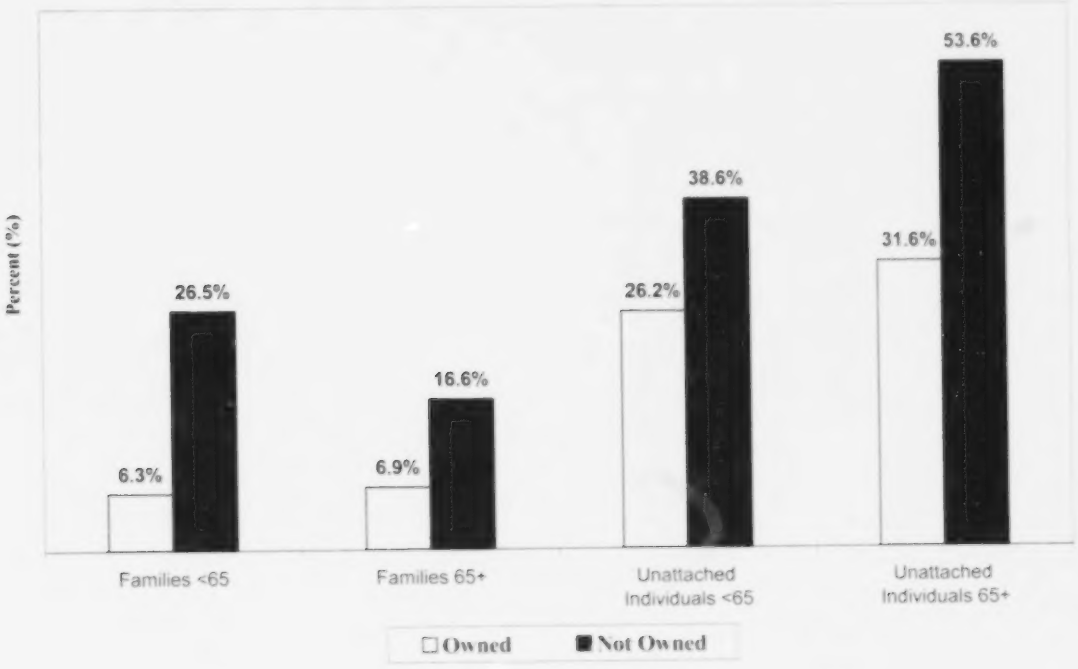
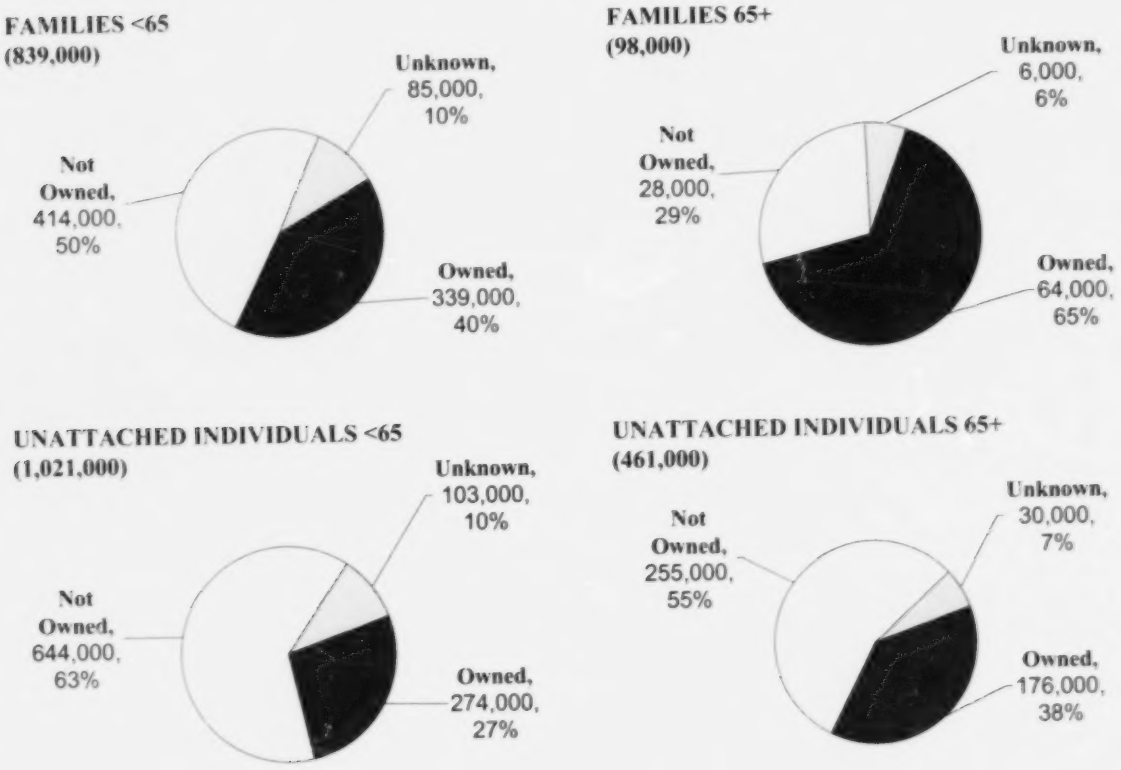


Figure 3.15: Distribution of Poor Families and Unattached Individuals by Housing Status, 2001



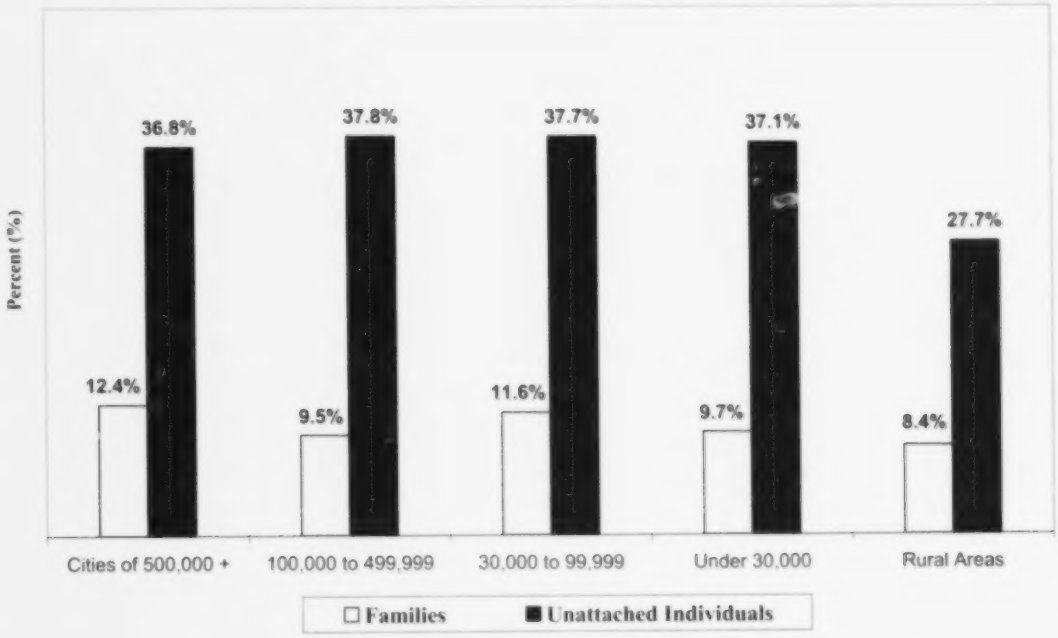
In all categories, the poverty rates for owners were lower than for non-owners, and the rates for families were lower than the rates for unattached individuals.

The statistics on the number of poor owners and non-owners are more interesting. Among poor families and unattached individuals under 65, some 40 percent of the families and only 27 percent of the unattached owned their own homes. Among poor families and unattached individuals 65 and older. the ownership figures jumped to 65 percent of the families and 38 percent of the unattached.

In its poverty reporting, Statistics Canada does not differentiate between homeowners with and without mortgages. Presumably, some of the younger homeowners and many of the older ones had paid off their mortgages.

AREA OF RESIDENCE

Figure 3.16: Poverty Rates by Size of Area of Residence, 2001

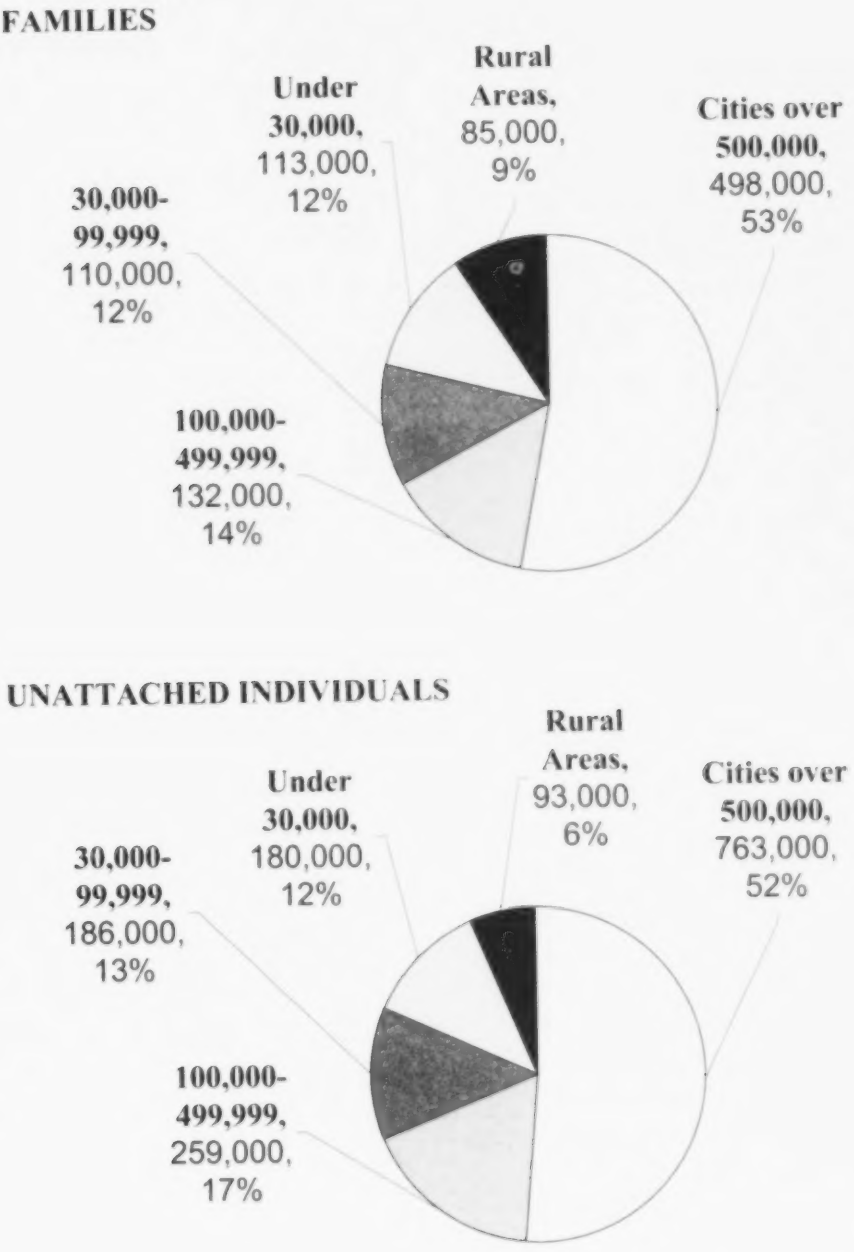


Figures 3.16 and 3.17 show poverty among families and unattached individuals by the size of their communities. Each of the five categories in the figures corresponds to a set of poverty lines based on the local population.

Poverty rates are higher in large metropolitan areas and lower in rural areas, but that is due in large part to the way the low income cut-offs are drawn. For example, an unattached person with an income of $18,000 in 2001 would be below the poverty line of $18,841 for a city of 500,000 or more persons, but above the poverty lines for smaller cities and towns and rural areas of Canada.

Figure 3.17 shows the distribution of poor families and poor unattached individuals by the population of their areas of residence. In 2001, 498,000 poor families or 53 percent of all poor families and 763,000 poor unattached individuals or 52 percent of all poor unattached individuals lived in cities of half a million or more.

Figure 3.17: Distribution of Poor by Area of Residence, 2001



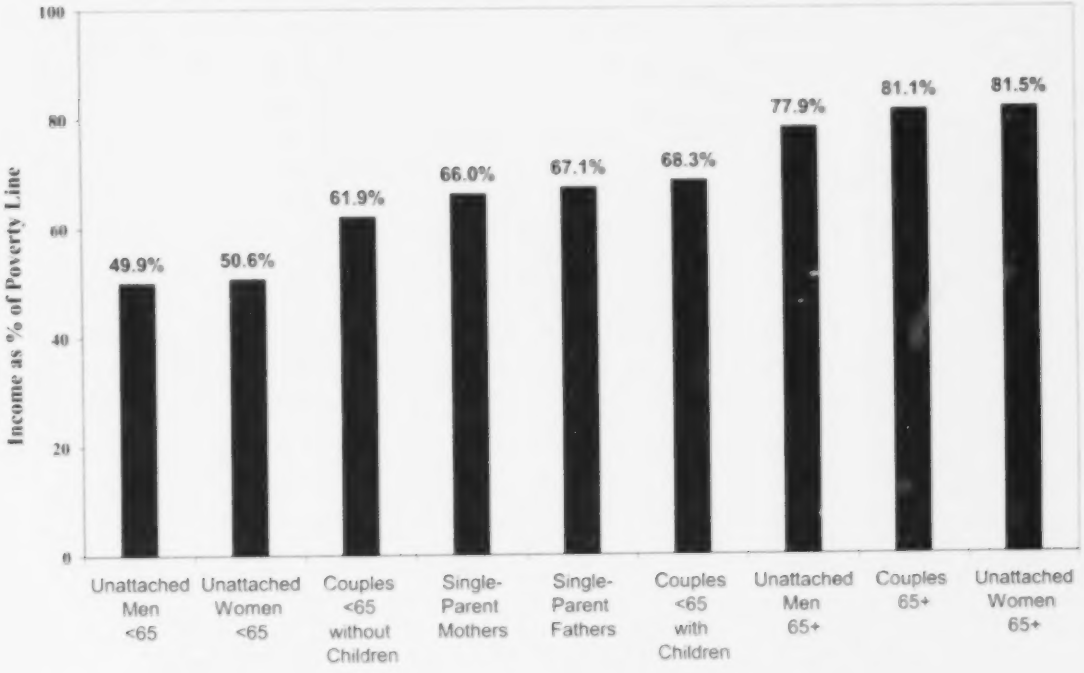
IV. DEPTH OF POVERTY

Poverty rates measure the percentage of the population that is poor, but they do not tell us whether poor people are living in abject poverty or a few dollars below the poverty line. Depth of poverty statistics provide that added insight.

Depth of poverty is measured by comparing the average incomes of poor families or poor unattached individuals with the poverty line. Sometimes the incomes are expressed as a percentage of the poverty line and sometimes simply as dollars below the poverty line. The dollar figures can be used to calculate the poverty gap, or the total amount of money it would take to bring every single poor person in Canada up to the poverty line.

Figure 4.1 shows depth of poverty as a percentage of the poverty line. The average incomes of the nine standard family types are ranked from the poorest type on the left to the least poor on the right.

Figure 4.1: Depth of Poverty by Family Type, 2001



Unattached men and women under 65 were the poorest family types in 2001, with average incomes of only about 50 or 51 percent of the poverty line. Next came the couples under 65 without children and the three family types with children. Unattached women 65 and older

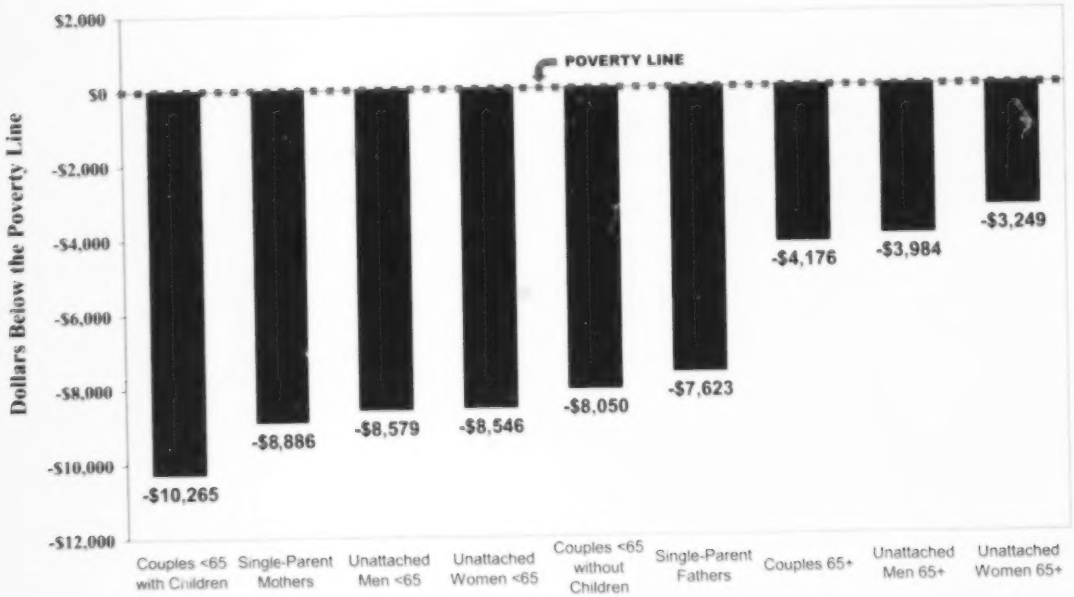
were the least poor at 81.5 percent of the poverty line, but senior couples and unattached men 65 and older were not far behind.

The contrast between the poorest and least poor is striking and largely a function of the income supports provided by governments to younger and older Canadians. Unattached individuals and families under 65 may have to rely on welfare as a primary source of income, and welfare rates are notoriously low. Poor seniors are much more fortunate, because they typically receive the federal Old Age Security pension and Guaranteed Income Supplement and benefits from the Canada or Quebec Pension Plans. Although none of these programs by themselves will lift an unattached senior or senior couple out of poverty, they do provide a much higher level of income support than welfare.

Detailed information about sources of income for poor people appears later in this report.

The other way of expressing depth of poverty, dollars below the poverty line, is shown in Figure 4.2. The figure has the family types with the smallest depth of poverty at the right and the largest depth of poverty at the left based on their rank order in 2001. The order is slightly different than in Figure 4.1, in part because the needs of families of two or more persons are greater in dollar terms than the needs of unattached individuals in dollar terms.

Figure 4.2: Average Depth of Poverty in Dollars, by Family Type, 2001



Two-parent families under 65 with children under 18 had the largest depth of poverty in 2001, an average of $10,265 below the poverty line, and single-parent mothers under 65 were next at $8,886 below the line. Unattached women and men under 65 were also high on the list.

The three family types of seniors at the right of the figure were somewhat better off, although they were still thousands of dollars on average below the poverty line. Unattached women 65 and older had the smallest average depth of poverty of $3,249.

Table 4.1 shows that between 2000 and 2001, six of the nine family types saw an increase in their depth of poverty after the figures were adjusted to factor out the effects of inflation. The depth of poverty for senior couples rose from $2,453 in 2000 to $4,176 in 2001. The other three family types - two-parent families under 65, couples under 65 without children, and single-parent fathers under 65 - saw small decreases in their depth of poverty.

TABLE 4.1: DEPTH OF POVERTY, BY FAMILY TYPE IN CONSTANT 2001 DOLLARS, 2000 AND 2001

	2000	2001	Change
Couples <65 with Children	$10,288	$10,265	-$23
Single-Parent Mothers <65	$8,727	$8,886	$159
Unattached Men <65	$8,226	$8,579	$353
Unattached Women <65	$8,475	$8,546	$71
Couples <65 without Children	$8,331	$8,050	-$281
Single-Parent Fathers <65	$8,129	$7,623	-$506
Couples 65+	$2,453	$4,176	$1,723
Unattached Men 65+	$3,848	$3,984	$136
Unattached Women 65+	$3,072	$3,249	$177

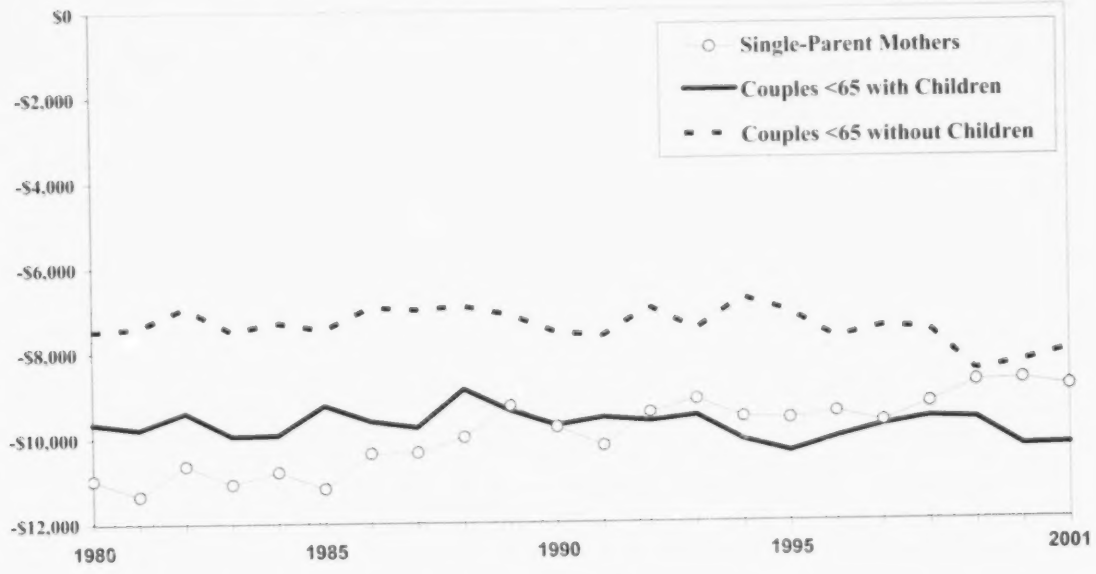
Over the longer term, depth of poverty statistics move in very narrow ranges within any given family type. The largest depth of poverty for single-parent mothers under 65, for example, was $11,342 in 1981, and the smallest was $8,727 in 2000, a difference of only $2,615 during the course of 22 years.

Figures 4.3 through 4.5 show depth of poverty between 1980 and 2001 for eight of the nine family types. There were too many gaps in the statistics for single-parent fathers because of the small sample sizes. Because the lines tend to be very close to each other, labels were not included in these figures to avoid confusion. Instead, Table 4.3 at the end of the chapter provides the numerical data and shows depth of poverty as dollars below the poverty line, by family type, from 1980 to 2001.

All in all, the figures show very limited progress in fighting poverty in terms of the depth of poverty. The lines go up and down slightly from year to year, but few clear trends are evident.

One modest improvement was seen by the poor single-parent mothers in Figure 4.3. Their average depth of poverty was often in excess of $10,000 during the 1980s. The depth of poverty eased gradually over the years and improved to less than $9,000 for three consecutive years in 1999, 2000 and 2001. For other families under 65, however, both the couples under 65 without children and the two-parent families with children wound up slightly worse off in 2001 than they were in 1980.

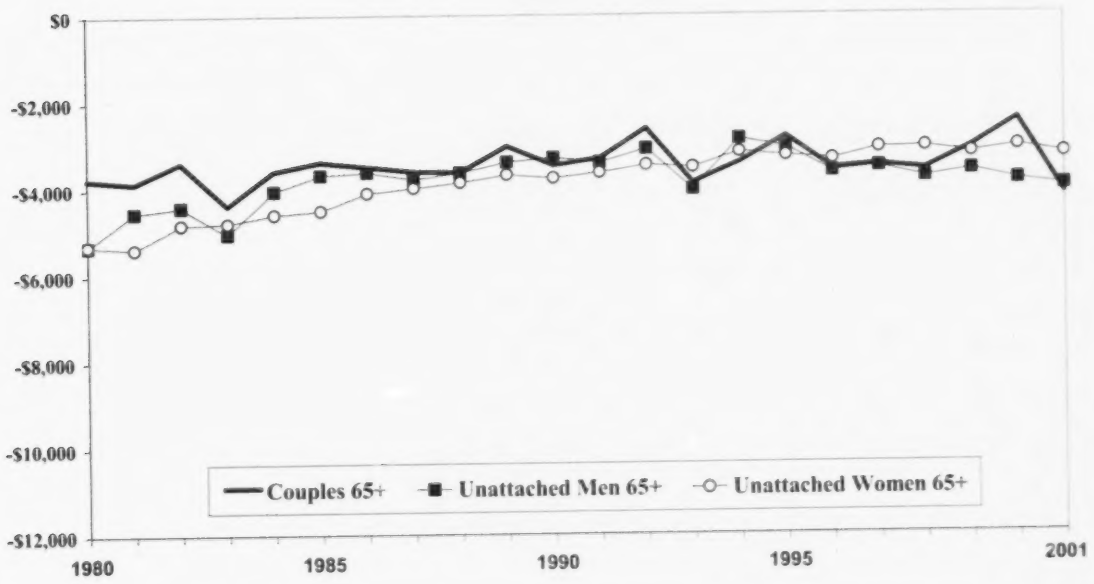
Figure 4.3: Depth of Poverty in 2001 Constant Dollars, Families Under 65, 1980-2001



One other modest improvement is found in the incomes of unattached senior women shown in Figure 4.4. Their average depth of poverty declined more or less steadily from the $5,000 range in 1980 to the $3,000 range in recent years. Unlike women, unattached senior

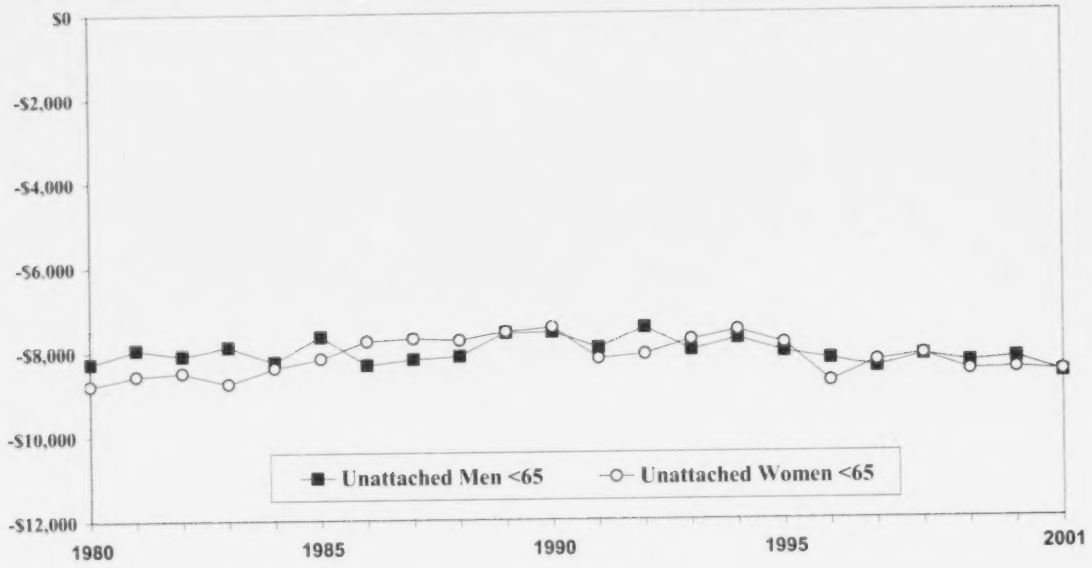
men's average depth of poverty has fairly steadily worsened since the mid-1990s. Meanwhile, senior couples had a depth of poverty that was fairly flat in the $3,000 to $4,000 range over the years until the improvement in 2000 to $2,453 and the sharp drop back to $4,176 in 2001.

Figure 4.4: Depth of Poverty in 2001 Constant Dollars, Couples and Unattached Individuals 65 and Older, 1980-2001



Unlike unattached senior women, unattached women under 65 were not so fortunate. After some ups and downs, they found themselves in 2001 in the same position they were in 22 years earlier. Unattached men under 65 wound up slightly worse off in 2001 than they were in 1980.

Figure 4.5: Depth of Poverty in 2001 Constant Dollars, Unattached Individuals Under 65, 1980-2001



Depth of poverty statistics in dollars below the poverty line make it possible to calculate Canada's total poverty gap, or the amount of money needed to raise each and every poor person above the poverty line in any given year.

In 2001, the poverty gap amounted to just over $18.6 billion. That is a large sum of money in actual dollars. However, it is also the equivalent of a small portion of the federal government's total spending of $164 billion in the 2001-2002 fiscal year or a minuscule portion of Canada's gross domestic product of $1.1 trillion in 2001.

Finding an extra $18.6 billion to eliminate poverty outright is not an insurmountable goal, but it would no doubt require the combined efforts of the private sector as well as governments at all levels. Some of the extra income could come from more generous government income support programs, and some could come from higher earnings by poor people in the paid labour force if there were higher wage rates and more full-time jobs. Statistics Canada notes, for example, that the poverty gap was equivalent to only 2.9 percent of the market income earned by all Canadians in 2001. In other words, a slightly better break for low-income workers could make a huge dent in the poverty statistics.

Table 4.2 breaks down the poverty gap by family type, with the largest gap at the top and the smallest at the bottom. Unattached men under 65 had the largest gap in 2001 at just over $4.4 billion, followed closely by unattached women under 65 with a gap of more than $4.3

billion. The smallest gap was $163 million for single-parent fathers under 65. That relatively small amount is a function of the relatively small number of poor single-parent fathers in Canada.

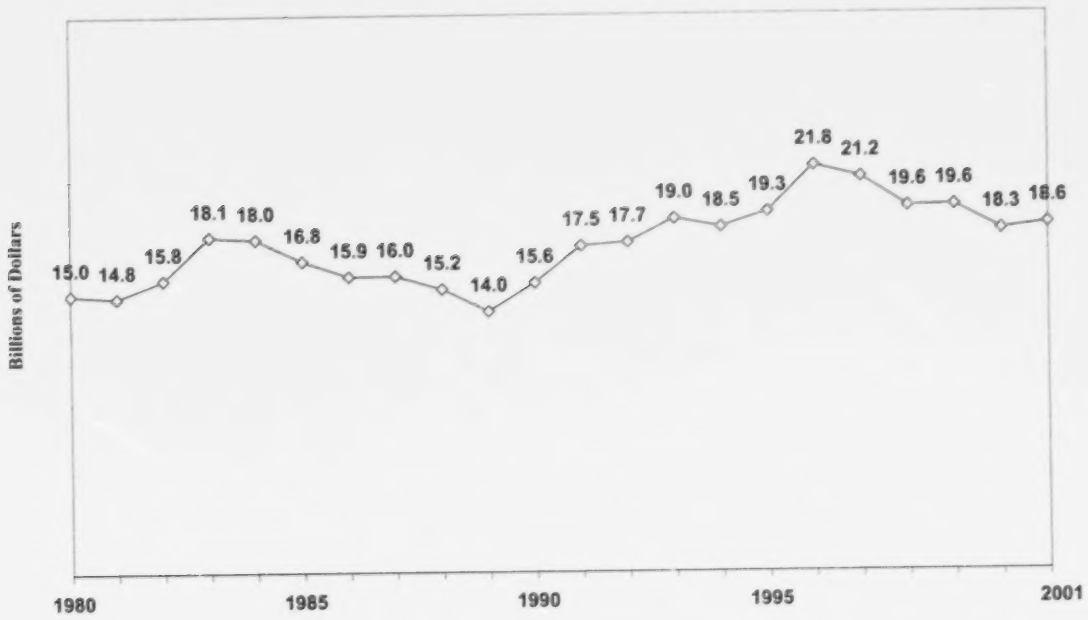
TABLE 4.2: TOTAL POVERTY GAP BY FAMILY TYPE, 2001		
	Poverty Gap	Share of Total Gap
Unattached Men Under 65	$4,410,000,000	23.7%
Unattached Women Under 65	$4,336,000,000	23.3%
Couples Under 65 with Children	$3,019,000,000	16.2%
Single-Parent Mothers Under 65	$1,929,000,000	10.4%
Couples Under 65 without Children	$1,275,000,000	6.8%
Unattached Women 65 and Older	$1,186,000,000	6.4%
Unattached Men 65 and Older	$380,000,000	2.0%
Couples 65 and Older	$243,000,000	1.3%
Single-Parent Fathers Under 65	$163,000,000	0.9%
All Other Family Types	$1,691,000,000	9.1%
Total Poverty Gap	**$18,632,000,000**	**100.0%**

As in previous years, four of the family types accounted for most of the poverty gap: unattached men and women under 65, two-parent families under 65 with children, and single-parent mothers under 65. Their combined poverty gap in 2001 was $13.7 billion or 73 percent of the total of $18.6 billion.

Canada's total poverty gap, like so many other poverty statistics, tends to rise and fall with the overall health of the economy. Figure 4.6 shows how the gap peaked in 1983 after the recession of 1981-1982 and again in 1996 as a late aftershock of the recession of 1990-1991.

The gap rose slightly between 2000 and 2001 and is still billions of dollars higher than it was in 1989, the year before the last recession.

Figure 4.6: Canada's Total Poverty Gap in Constant 2001 Dollars

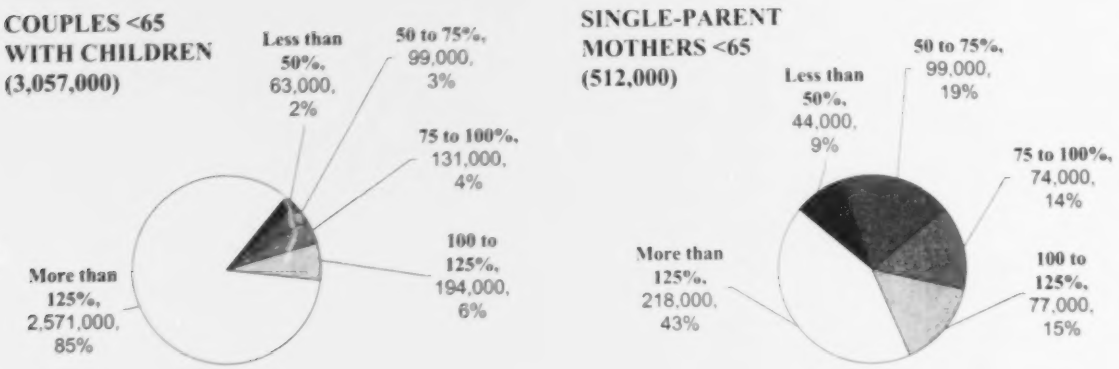


One variation on depth of poverty statistics allows us to look at the entire income spectrum rather than just poor people. At the request of the National Council of Welfare, Statistics Canada has arranged family types into five distinct groups based on their incomes in 2001: less than 50 percent of the poverty line, 50 to 75 percent of the line, 75 to 100 percent of the line, 100 to 125 percent of the line, and 125 percent or more of the line. The results are presented in the pie charts in Figure 4.7 through Figure 4.10.

The slices of the pies give a bird's eye view of the families and unattached individuals who are poor and the ones who are not poor. They also allow a quick look at family types who are relatively close to the poverty line - both those who are living just below the line and those living just above.

Perhaps the most interesting comparison is between two-parent families under 65 with children and single-parent mothers under 65 as shown in Figure 4.7.

Figure 4.7: Income Distribution as Percentages of the Poverty Line, Families with Children, 2001



The largest slice of the pie for the two-parent families on the left is the white slice that represents families with incomes of 125 percent of the poverty line or more - the group least at risk of poverty. The slice for families at 100 to 125 percent of the poverty represents families which could fall into poverty with a loss or decline in their normal sources of income. The remaining three slices of the pie represent poor families at three different depths of poverty. The three slices combined were only about ten percent of the entire pie - more precisely 9.5 percent, the actual poverty rate for two-parent families with children.

The situation is much different for the single-parent mothers on the right. There are three large slices representing poor families and a fourth slice for families at risk of poverty in the income group at 100 to 125 percent of the poverty line. The white slice for single-parent mothers at 125 percent or more of the poverty line was only 43 percent of all families led by single-parent mothers, roughly half the size of the white slice for two-parent families with children.

Figure 4.8: Income Distribution as Percentages of the Poverty Line, Couples, 2001

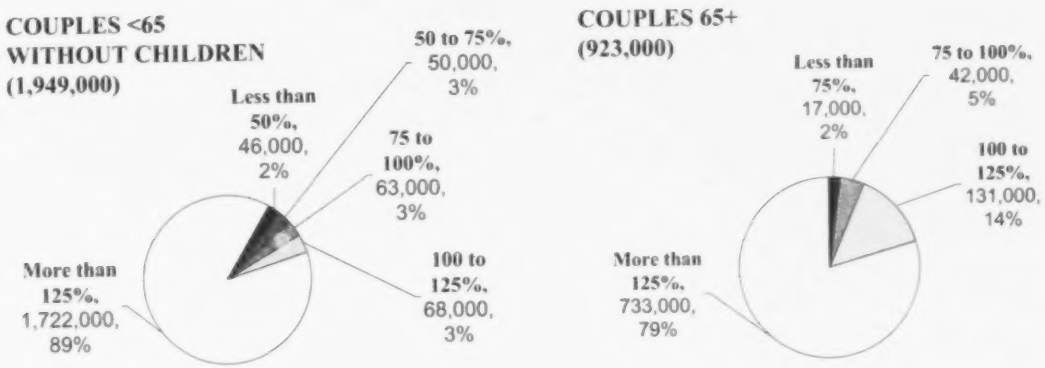


Figure 4.8 compares couples under 65 without children with couples 65 and older. The pie for the couples under 65 is much like the pie for the two-parent families in the previous figure - with small slices for poor families and families who were just above the poverty line and a huge white slice for families well above the poverty line.

The pie for senior couples has two small slices for poor couples. The category less than 50 percent of the poverty line was so tiny that it had to be rolled into the next category and recast as less than 75 percent of the poverty line. Also noteworthy was the slice of the pie for senior couples with incomes between the poverty line and 125 percent of the line. This is the group most vulnerable to poverty in the event of a downward change in their family finances.

The next two figures compare the income distributions of unattached women and men under and over 65. The poverty rates for all four family types were relatively high in 2001, and that is highlighted by the relatively small size of the white slices in the four pies. The pies for unattached women and men under 65 in Figure 4.9 also have relatively large slices representing people living on incomes of less than 50 percent of the poverty line.

Figure 4.9: Income Distribution as Percentages of the Poverty Line, Unattached Individuals Under 65, 2001

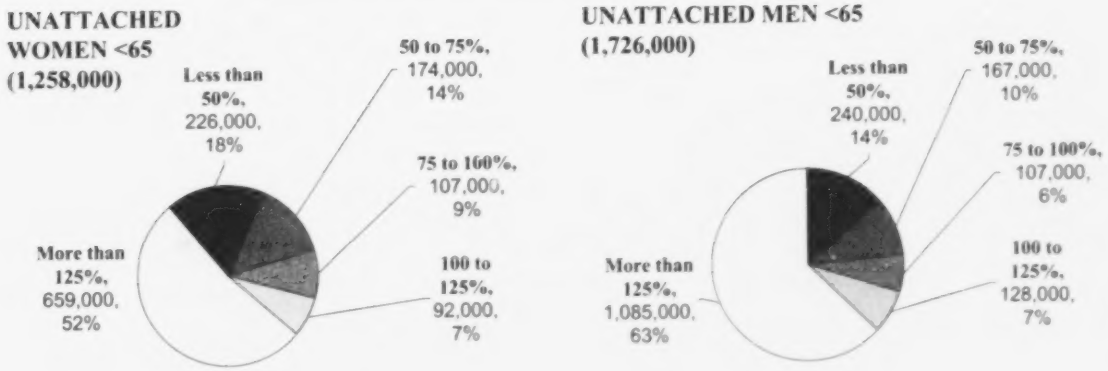
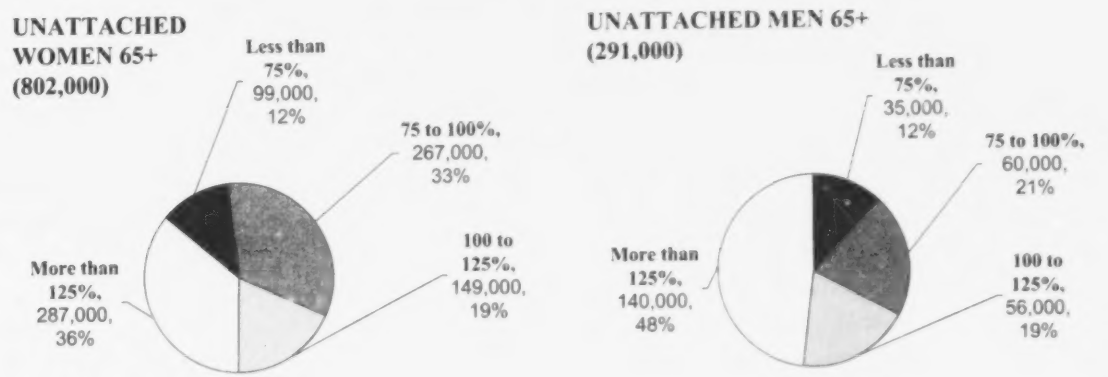


Figure 4.10: Income Distribution as Percentages of the Poverty Line, Unattached Individuals 65 and Older, 2001



The two pies for unattached senior women and men in Figure 4.10 are notable because of the two slices in each pie that lie adjacent to the line representing 100 percent of the poverty line. There are large slices representing incomes of 75 to 100 percent of the poverty line and large slices of 100 to 125 percent of the poverty line. They represent a total of 532,000 seniors - mostly women - who were "getting by" but little more. Some lived just below the poverty line, and some lived just above, but they all had to watch their nickels and dimes. Depending on their current finances, they could easily cross the poverty line from time to time, either on the way up or the way down.

The shifts back and forth across the poverty line from year to year can make a huge difference in the poverty rates and the number of poor people. To get an idea of how radical

the shifts might be, the National Council of Welfare recalculated the 2001 poverty statistics to come up with hypothetical best-case and worst-case scenarios.

In the best-case scenario, we assumed that all poor persons living between 75 and 100 percent of the poverty line somehow got enough additional income to put them over the poverty line. The poverty rate for unattached individuals under this scenario would plummet from the actual rate of 36.3 percent to 23.1 percent, and the number of poor unattached would fall dramatically from 1,482,000 to 940,000. The poverty rate for families would drop from 11 percent to 6.2 percent, and the number of poor families would drop from 938,000 to 528,000.

In the worst-case scenario, we assumed that all poor persons living between the poverty line and 125 percent of the poverty line lost enough income to put them below the line. The poverty rate for unattached individuals would rise from the actual rate of 36.3 percent to 46.8 percent, and the number of poor unattached would climb from 1,482,000 to 1,906,000 persons. The poverty rate for families would rise from 11 percent to 18 percent, and the number of poor families would soar from 938,000 to 1,538,000.

Last and certainly not least is the issue of families and unattached people who live in abject poverty. The National Council of Welfare has deep and abiding concerns about the relatively large number of poor people who live on incomes far below the poverty line - incomes that are nothing less than scandalous in a country as rich as Canada. Many of them are recipients of welfare and other income support programs funded by governments.

Figures 4.11 through 4.15 show the number of families and unattached persons living on incomes of less than 50 percent of the poverty line from 1989 through 2001. In 2001, the shocking totals for the five family types under age 65 were 153,000 families and 466,000 unattached individuals.

There have been ups and downs within the five family types, but all but one were significantly higher in 2001 than they were in 1989 - another sign that continuing prosperity for the country as a whole has bypassed the poorest of the poor.

Figure 4.11: Unattached Women Under 65 Under 50% of Poverty Line

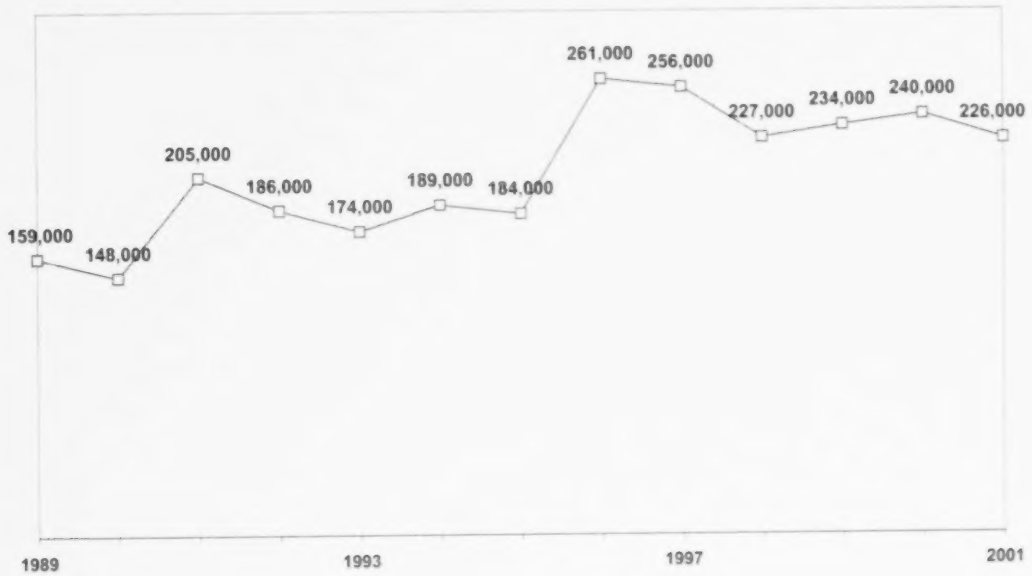


Figure 4.12: Unattached Men Under 65 Under 50% of Poverty Line

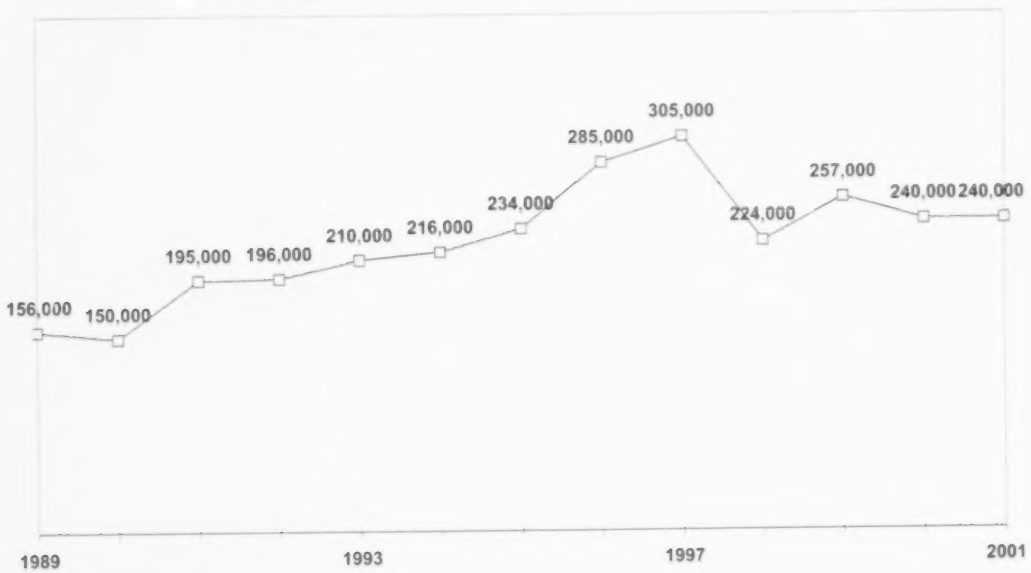


Figure 4.13: Single-Parent Mothers Under 50% of Poverty Line

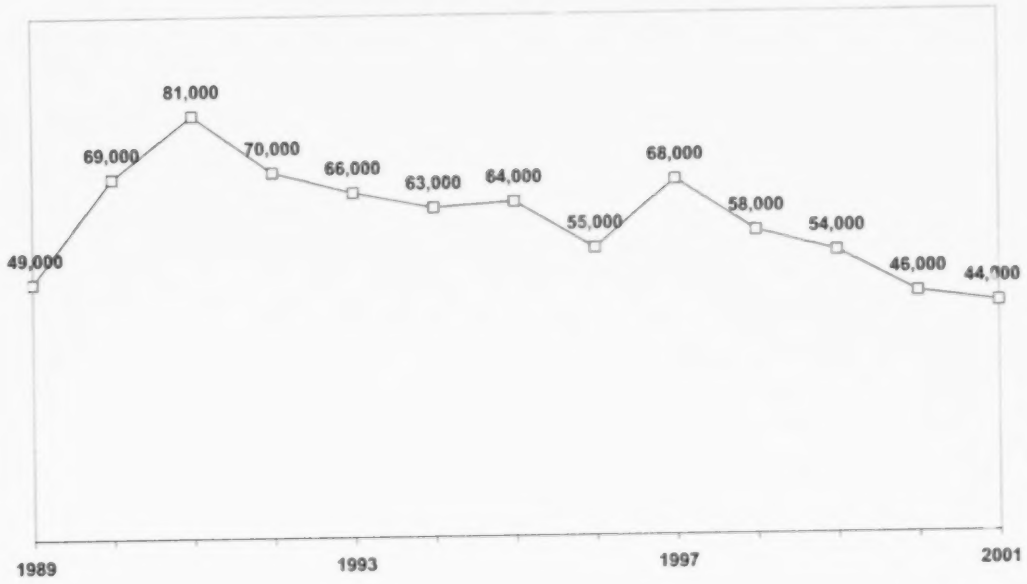


Figure 4.14: Couples Under 65 with Children Under 50% of Poverty Line

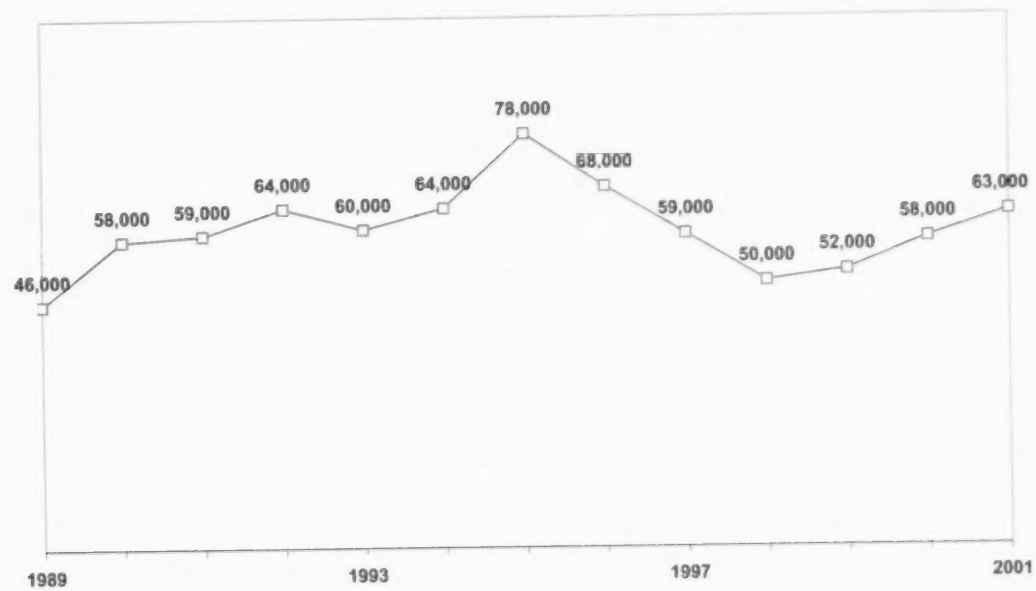


Figure 4.15: Couples Under 65 without Children Under 50% of Poverty Line

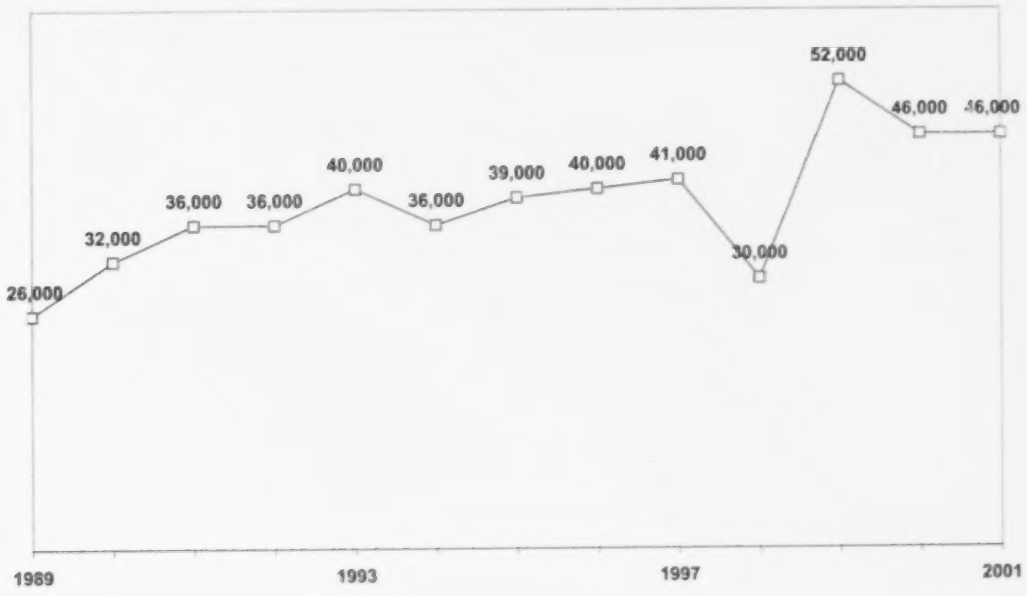


TABLE 4.3: DEPTH OF POVERTY IN 2001 CONSTANT DOLLARS, 1980-2001											
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Couples <65 with Children	-$9,651	-$9,791	-$9,400	-$9,955	-$9,930	-$9,243	-$9,619	-$9,768	-$8,884	-$9,394	-$9,740
Single-Parent Mothers <65	-$10,969	-$11,342	-$10,637	-$11,074	-$10,788	-$11,185	-$10,362	-$10,344	-$9,992	-$9,276	-$9,772
Unattached Men <65	-$8,263	-$7,940	-$8,088	-$7,887	-$8,245	-$7,652	-$8,322	-$8,195	-$8,124	-$7,577	-$7,563
Unattached Women <65	-$8,789	-$8,565	-$8,487	-$8,753	-$8,386	-$8,173	-$7,771	-$7,713	-$7,753	-$7,557	-$7,452
Couples <65 without Children	-$7,470	-$7,416	-$6,943	-$7,502	-$7,306	-$7,474	-$6,953	-$7,010	-$6,939	-$7,145	-$7,567
Single-Parent Fathers <65	-$10,580	--	-$8,621	-$9,251	-$10,387	-$9,578	-$9,191	--	-$10,573	--	-$8,163
Couples 65+	-$3,763	-$3,862	-$3,390	-$4,386	-$3,599	-$3,385	-$3,500	-$3,612	-$3,629	-$3,038	-$3,478
Unattached Men 65+	-$5,315	-$4,544	-$4,416	-$5,038	-$4,052	-$3,686	-$3,620	-$3,785	-$3,638	-$3,397	-$3,306
Unattached Women 65+	-$5,298	-$5,379	-$4,822	-$4,790	-$4,592	-$4,507	-$4,101	-$3,983	-$3,858	-$3,688	-$3,765

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Couples <65 with Children	-$9,563	-$9,651	-$9,530	-$10,109	-$10,388	-$10,063	-$9,783	-$9,605	-$9,644	-$10,288	-$10,265
Single-Parent Mothers <65	-$10,207	-$9,443	-$9,139	-$9,567	-$9,597	-$9,456	-$9,688	-$9,252	-$8,766	-$8,727	-$8,886
Unattached Men <65	-$7,944	-$7,465	-$8,003	-$7,725	-$8,049	-$8,221	-$8,426	-$8,151	-$8,316	-$8,226	-$8,579
Unattached Women <65	-$8,191	-$8,094	-$7,752	-$7,533	-$7,847	-$8,750	-$8,271	-$8,125	-$8,507	-$8,475	-$8,546
Couples <65 without Children	-$7,657	-$6,993	-$7,522	-$6,775	-$7,104	-$7,735	-$7,478	-$7,530	-$8,516	-$8,331	-$8,050
Single-Parent Fathers <65	-$9,602	-$10,796	-$7,687	-$9,041	-$7,382	-$8,739	-$9,336	-$8,251	-$11,991	-$8,129	-$7,623
Couples 65+	-$3,328	-$2,639	-$3,893	-$3,426	-$2,833	-$3,576	-$3,493	-$3,602	-$3,089	-$2,453	-$4,176
Unattached Men 65+	-$3,413	-$3,105	-$4,042	-$2,885	-$3,077	-$3,644	-$3,537	-$3,778	-$3,615	-$3,848	-$3,984
Unattached Women 65+	-$3,646	-$3,479	-$3,537	-$3,185	-$3,276	-$3,362	-$3,103	-$3,079	-$3,219	-$3,072	-$3,249

-- Sample size too small

V. PERSISTENCE OF POVERTY

The earlier chapters of *Poverty Profile* focused on the number of poor people in Canada, the poverty rates for different groups of Canadians, and the depth of poverty. This chapter adds one more very important dimension: the persistence or duration of poverty.

The Statistics Canada survey used to generate the annual poverty statistics, the Survey of Labour and Income Dynamics, also allows us to follow the same group of people for six consecutive years and to see how their incomes changed over time. The data from the survey tell us the persistence of poverty - the total number of years people lived in poverty during the six-year period - and transitions in and out of poverty from one year to the next.

The data on the persistence of poverty are more worrisome, because they reveal that the risk of poverty is much higher than suggested by the poverty rates in any single year. Figure 5.1 gives the statistics from the six-year period that ended in 2001.

Nearly 17.7 million Canadians or the 70.4 percent of the population shown in the white slice of the pie managed to avoid poverty in all six years from 1996 through 2001. The other 7.5 million people or 29.6 percent of the population were poor for at least one year during the six. That was more than twice the annual poverty rate of 14.4 percent for all persons in 2001.

The darker slices of the pie provide further details about the persistence of poverty. About 2.1 million people or 8.4 percent of the population were poor for only one year. But nearly 1.4 million people or 5.5 percent were poor for all six years. That represents a substantial amount of privation, particularly since most poor people live on incomes many thousands of dollars below the poverty line.

Table 5.1 gives further details about the persistence of poverty by age group, and Table 5.2 does the same by level of education. Both tables give the estimated numbers of poor people and the distribution according to the number of years they spent living in poverty. Both tables also exclude persons whose status was not known in each of the six years. The total for all persons, for example, is 25,153,000 rather than the entire population of 30,467,000.

Figure 5.1: Persistence of Poverty
All Persons, 1996-2001

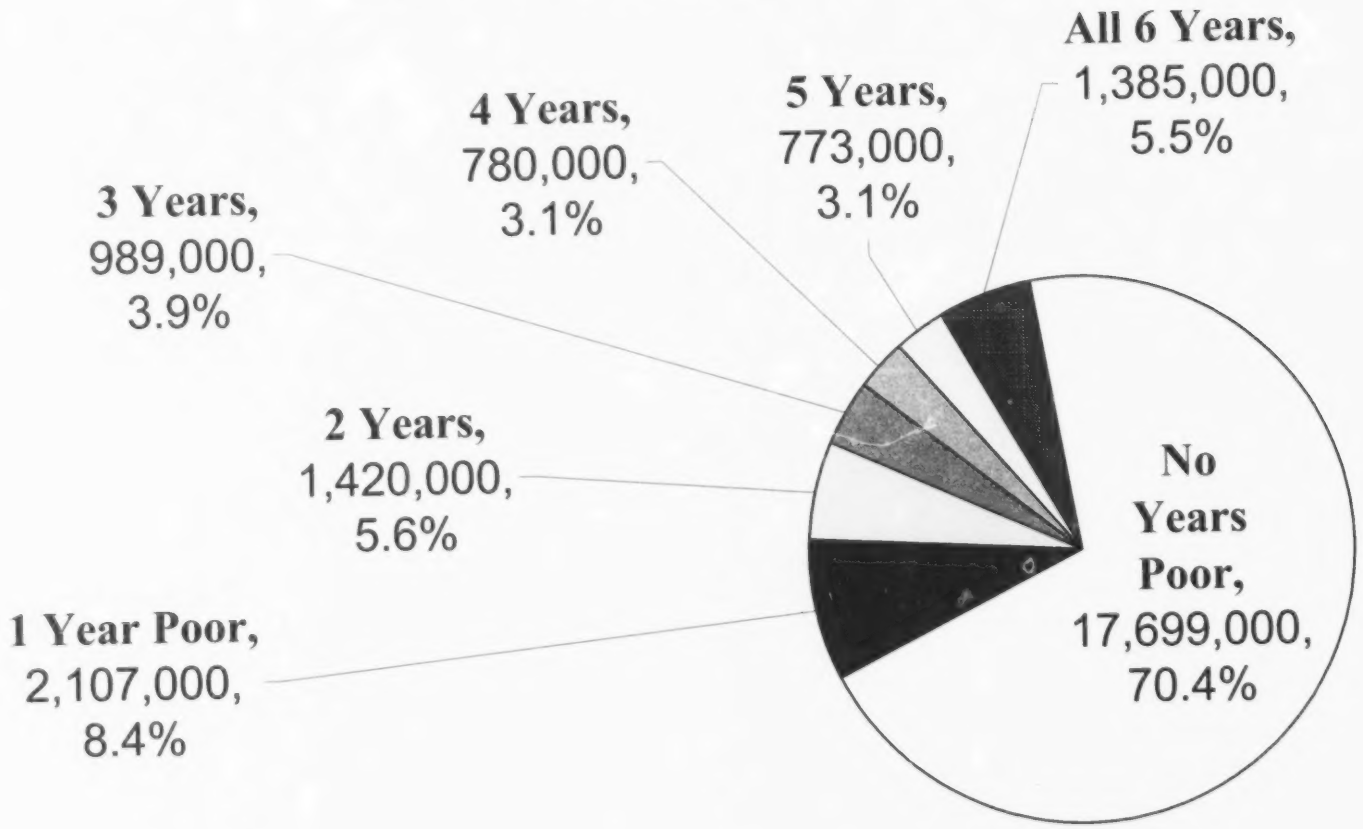


TABLE 5.1 PERSISTENCE OF POVERTY, NUMBER AND DISTRIBUTION BY AGE GROUP, 1996-2001									
	1 Year Poor	2 Years Poor	3 Years Poor	4 Years Poor	5 Years Poor	All 6 Years Poor	At Least 1 Year Poor	No Poor Years	Total
NUMBER OF POOR PERSONS									
All Persons	2,107,000	1,420,000	989,000	780,000	773,000	1,385,000	7,454,000	17,699,000	25,153,000
Children <18	589,000	428,000	303,000	252,000	236,000	329,000	2,137,000	4,277,000	6,414,000
18-24	347,000	245,000	133,000	86,000	88,000	77,000	976,000	1,252,000	2,228,000
25-54	851,000	540,000	435,000	314,000	289,000	579,000	3,008,000	8,973,000	11,981,000
55-64	194,000	112,000	73,000	68,000	67,000	140,000	654,000	1,535,000	2,189,000
65+	126,000	95,000	45,000	60,000	92,000	260,000	678,000	1,662,000	2,340,000
PERCENTAGE DISTRIBUTION									
All Persons	8.4%	5.6%	3.9%	3.1%	3.1%	5.5%	29.6%	70.4%	100.0%
Children <18	9.2%	6.7%	4.7%	3.9%	3.7%	5.1%	33.3%	66.7%	100.0%
18-24	15.6%	11.0%	6.0%	3.9%	3.9%	3.4%	43.8%	56.2%	100.0%
25-54	7.1%	4.5%	3.6%	2.6%	2.4%	4.8%	25.1%	74.9%	100.0%
55-64	8.9%	5.1%	3.4%	3.1%	3.1%	6.4%	29.9%	70.1%	100.0%
65+	5.4%	4.1%	1.9%	2.5%	3.9%	11.1%	29.0%	71.0%	100.0%

TABLE 5.2 PERSISTENCE OF POVERTY, NUMBER AND DISTRIBUTION BY LEVEL OF EDUCATION, 1996-2001

	1 Year Poor	2 Years Poor	3 Years Poor	4 Years Poor	5 Years Poor	All 6 Years Poor	At Least 1 Year Poor	No Poor Years	Total
NUMBER OF POOR PERSONS									
All Persons	2,107,000	1,420,000	989,000	780,000	773,000	1,385,000	7,454,000	17,699,000	25,153,000
Less than High School	951,000	691,000	498,000	410,000	433,000	863,000	3,846,000	6,875,000	10,721,000
High School Graduate	246,000	166,000	105,000	73,000	85,000	153,000	828,000	2,405,000	3,233,000
Some Post-Secondary	246,000	212,000	133,000	104,000	83,000	107,000	885,000	1,735,000	2,620,000
Post-Secondary Certificate	408,000	196,000	162,000	120,000	103,000	159,000	1,148,000	3,967,000	5,115,000
University Degree	170,000	64,000	60,000	25,000	35,000	43,000	397,000	2,093,000	2,490,000
< Than High School (Adj.)	362,000	263,000	195,000	158,000	197,000	534,000	1,709,000	2,598,000	4,307,000
PERCENTAGE DISTRIBUTION									
All Persons	8.4%	5.6%	3.9%	3.1%	3.1%	5.5%	29.6%	70.4%	100.0%
Less than High School	8.9%	6.4%	4.6%	3.8%	4.0%	8.1%	35.9%	64.1%	100.0%
High School Graduate	7.6%	5.1%	3.2%	2.2%	2.6%	4.7%	25.6%	74.4%	100.0%
Some Post-Secondary	9.4%	8.1%	5.1%	4.0%	3.2%	4.1%	33.8%	66.2%	100.0%
Post-Secondary Certificate	8.0%	3.8%	3.2%	2.3%	2.0%	3.1%	22.4%	77.6%	100.0%
University Degree	6.8%	2.6%	2.4%	1.0%	1.4%	1.7%	15.9%	84.1%	100.0%
< Than High School (Adj.)	8.4%	6.1%	4.5%	3.7%	4.6%	12.4%	39.7%	60.3%	100.0%

Each of the age groups shown in Table 5.1 is a story in its own right. The number of children who were poor at least one year from 1996 through 2001 added up to 2,137,000 or one of every three children. That is a chilling statistic, given the mountain of research in Canada and around the world that shows poverty in childhood can have serious repercussions that last a lifetime. Even more chilling is the revelation that 329,000 children were poor all six years. For younger children, that amounts to an entire early childhood in poverty.

Young people 18 through 24 have very high poverty rates in any single year, as we saw earlier in the report, and they also had a much higher than average risk of poverty in the six-year period: 43.8% were poor at least one year. However, most of the poverty was fairly short-lived. Some 347,000 were poor only one year and another 245,000 were poor only two years.

The age group 25 through 54 tends to have relatively low poverty rates in any given year and also a lower than average risk of poverty over six years. Rates were slightly higher in the group 55 through 64.

The group 65 and older is notable because some 260,000 seniors or 11.1 percent of seniors were poor all six years. This is not surprising, because seniors tend to live on fixed and fairly stable incomes after they retire. For the very same reason, the figure probably understates the persistence of poverty among seniors. If the Statistics Canada survey had followed people for ten years rather than six years, it might have found a relatively large number of seniors who had been poor all ten years.

Table 5.2 on levels of education shows the same general patterns we saw earlier in annual poverty statistics by level of education. The higher the level of education, the lower the risk of poverty - whether in any single year or during the entire six-year period.

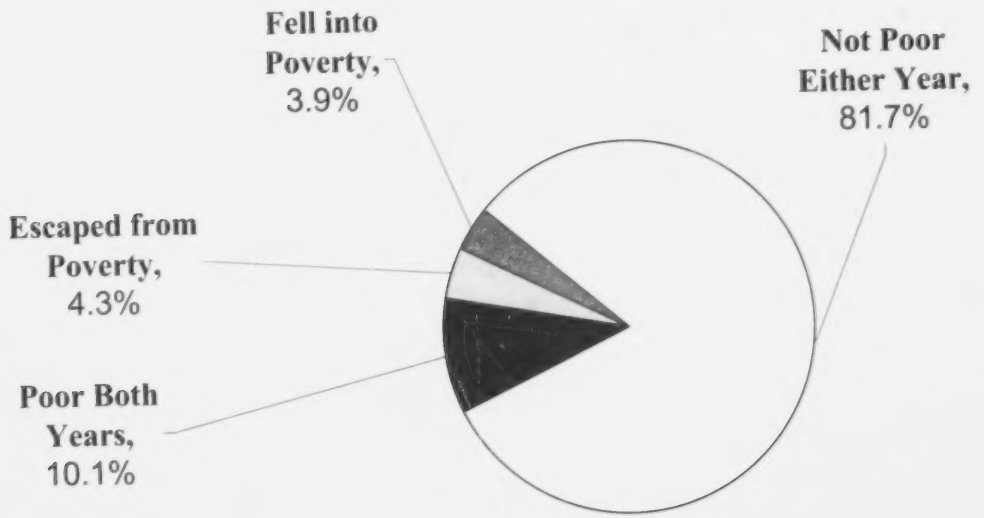
The lowest risk of poverty was among people with university degrees. Only 15.9 percent of the group lived in poverty at least one year, and many of them were poor only that one year.

The highest risk of poverty was in the group that did not finish high school, but the published data are misleading because they include all children under 16, who would not have finished high school under any circumstances. The National Council of Welfare did a rough recalculation using the data available by subtracting all persons under 18 from the "less than high school" group. The revised figures appear in the rows labeled "less than high school (adjusted)."

The adjusted figures show that 1.7 million persons or 39.7 percent of the people who did not finish high school were poor at least one year, and 534,000 or 12.4 percent were poor all six years.

The second series of data from the Survey of Labour and Income Dynamics sheds some light on the dynamics of poverty, the way people move in and out of poverty. All the data are reported in two-year rather than six-year segments. Figure 5.2 shows transitions from 2000 to 2001 for all persons.

Figure 5.2: Transitions In and Out of Poverty All Persons, 2000 to 2001



The large white slice of the pie represents the 81.7 percent of the population that was above the poverty line both years, and the black slice of the pie represents the 10.1 percent of the population that was poor both years. The two remaining slices represent people who changed status from 2000 to 2001. One is for the 4.3 percent who were poor in 2000 but not poor in 2001, and the other is for the 3.9 percent who were not poor in 2000 and poor in 2001.

Because the percentage of people rising out of poverty was slightly greater than the percentage of people falling into poverty, the overall poverty rate was down slightly between 2000 and 2001. In other words, changes in the poverty rates from year to year are largely a function of small movements back and forth across the poverty line. Most of the people who are poor remain poor in the short term, and most of the people who are not poor remain not poor.

The same basic pattern holds true for all the transitions reported by Statistics Canada, but there were some interesting variations on the overall theme for different age groups and levels of education. Table 5.3 gives the details.

TABLE 5.3: TRANSITIONS IN AND OUT OF POVERTY, 2000 TO 2001					
	Not Poor Either Year	Poor Both Years	From Poor to Non-Poor	From Non-Poor to Poor	% That Changed Either Way
AGE GROUPS					
All Persons	81.7%	10.1%	4.3%	3.9%	8.2%
Under 18	80.3%	10.8%	5.0%	3.9%	8.9%
18-24	75.9%	9.8%	6.8%	7.5%	14.3%
25-54	84.4%	8.6%	3.9%	3.2%	7.1%
55-64	79.4%	12.4%	3.8%	4.4%	8.2%
65 and Older	79.9%	13.4%	3.2%	3.6%	6.8%
LEVEL OF EDUCATION					
Less than High School (Adjusted)	73.5%	17.4%	4.4%	4.6%	9.0%
High School Graduate	83.3%	9.1%	3.9%	3.7%	7.6%
Some Post-Secondary	79.8%	10.5%	5.2%	4.6%	9.8%
Post-Secondary Certificate	86.8%	6.6%	3.5%	3.1%	6.6%
University Degree	90.9%	4.0%	2.7%	2.4%	5.1%

The top half of the table gives the distribution for all persons - the same as in Figure 5.2 - and the breakdowns by age group. The first four of the five columns in each row show the percentage of persons who changed status or stayed the same between 2000 and 2001. The numbers in these four columns add up to 100 percent. The fifth column on the far right is the total of the groups that changed, either moving into poverty or moving out of poverty from one year to the next.

The one age group that stands apart from the rest is people 18 through 24, the group that has a very high poverty rate in any given year, but often tends to be poor for only one or two years at a time. The table shows 75.9 percent out of poverty both years, 9.8 percent poor both

years, 6.8 percent escaping poverty and 7.5 percent falling into poverty. The combined figure of 14.3 percent in the far right column shows the relatively high movement in or out of poverty during the two-year period.

The statistics on level of education in the bottom half of the table confirm earlier findings about the links between education and poverty. As the level of education rises, the percentage of people out of poverty both years rises, and the percentage of people in poverty both years falls. The category "less than high school" has been adjusted by subtracting all persons under 18 as described earlier on page 77.

The group with the university degrees is the most interesting because of the clarity of the numbers. People with university degrees had a very high chance of avoiding poverty, a very low chance of being in poverty, and also a very low chance of changing status from one year to the next - only 5.1 percent. In an ideal world, that would be the pattern for all Canadians - not just the pattern for people who are well educated.

VI. POOR CANADIANS AND THEIR SOURCES OF INCOME

The incomes of poor people are often thousands of dollars below the poverty line, and they are often tens of thousands of dollars below the incomes of the rest of the population.

Table 6.1 compares the average incomes of poor people by family type with the average incomes of non-poor people. The table is organized with the poor family type with the lowest income in dollars at the top and the poor family type with the highest income at the bottom. The column at the far right shows the average incomes of poor people as a percentage of the incomes of non-poor people.

In all cases, the average incomes of the poor were worlds away from the average incomes of the non-poor. Poor couples under 65 without children had only 16 percent of the incomes of non-poor couples without children. Poor unattached women 65 and older had 47 percent of the incomes of their non-poor counterparts.

TABLE 6.1: AVERAGE INCOMES OF POOR AND NON-POOR FAMILIES AND UNATTACHED INDIVIDUALS, 2001

Family Type	Incomes of Poor	Incomes of Non-Poor	Poor Income as % of Non-Poor
Unattached Men Under 65	$8,303	$44,755	19%
Unattached Women Under 65	$8,612	$40,491	21%
Couples Under 65 without Children	$12,466	$77,182	16%
Unattached Men 65 and Older	$13,346	$34,849	38%
Unattached Women 65 and Older	$14,010	$29,789	47%
Single-Parent Mothers Under 65	$16,995	$47,126	36%
Couples 65 and Older	$17,913	$47,378	38%
Single-Parent Fathers Under 65	$18,078	$55,447	33%
Couples Under 65 with Children	$22,326	$85,884	26%

The more detailed comparisons between the poor and non-poor family types are intriguing. The incomes of the poor all were low, of course, but poor families tended to fare better than poor unattached individuals. Sometimes they had more than one earner, and sometimes they received government benefits such as pensions or welfare that took into account the number of persons in the family unit. Among unattached individuals, seniors were much better off than the unattached under 65.

The patterns were different for non-poor family types. The incomes of non-poor unattached individuals fell into a cluster of modest incomes, and people under 65 fared better

than unattached seniors. Single-parent families and senior couples had incomes a bit higher. Couples under 65 without children and two-parent families were well above the rest. The average income of non-poor two-parent families was $85,884 - nearly four times the average income of poor two-parent families.

Obviously, many poor Canadians rely upon government programs of one kind or another as an important source of income. Some of the amounts provided by governments are surprisingly small. Other government programs, notably programs for seniors, provide larger sums and a very large portion of total income.

Table 6.2 shows the average amount of transfer payments, or benefits from government programs, that poor people received in 2001. Transfer payments cover a wide range of programs financed by the federal or provincial governments, including welfare, federal and provincial benefits for families with children, the Old Age Security pension and Guaranteed Income Supplement for seniors, the GST/HST credit and provincial tax credits. They also include Employment Insurance and the Canada and Quebec Pension Plans. These programs are run by government, but the money comes from contributions by workers and employers, not from general government revenues.

TABLE 6.2: TRANSFER PAYMENTS TO THE POOR BY FAMILY TYPE, 2001

Family Type	Average Transfer Payments	Average Income from All Sources	% of Total Income from Transfers
Unattached Women Under 65	$3,484	$8,612	40%
Unattached Men Under 65	$3,688	$8,303	44%
Couples Under 65 without Children	$5,583	$12,466	45%
Single-Parent Fathers Under 65	$9,841	$18,078	54%
Couples Under 65 with Children	$10,127	$22,326	45%
Single-Parent Mothers Under 65	$10,412	$16,995	61%
Unattached Men 65 and Older	$12,683	$13,346	95%
Unattached Women 65 and Older	$12,721	$14,010	91%
Couples 65 and Older	$16,877	$17,913	94%

The table is arranged with the smallest transfer payments at the top and the largest at the bottom.

Average transfer payments by family type appear in the first column and average income from all sources in the second column. The final column gives the percentage of total income that comes from transfers.

Poor unattached women under 65 got the least support from government, with average transfer payments totalling $3,484 a year or 40 percent of their average income from all sources. Single-parent mothers fared the best of any family type under 65, with average transfers of $10,412 or 61 percent of total income. However, welfare accounted for a large portion of the total, and welfare benefits are notoriously inadequate.

The three family types of poor seniors did best of all, with the overwhelming percentage of their incomes coming from government programs of one kind or another. Some of the money came from the Canada and Quebec Pension Plan and was therefore not government money.

The next part of the chapter examines in more detail the sources of income of poor seniors and poor people under 65.

Poor seniors, as we just saw, rely heavily on a variety of government-run programs to make ends meet. Most of them receive both the Old Age Security pension and Guaranteed Income Supplement from the federal government, benefits from the Canada or Quebec Pension Plans, and federal and provincial tax credits and income supplements. Among the most common sources of income aside from transfer payments are investment income and income from occupational pension plans, registered retirement savings plans (RRSPs) and registered retirement income funds (RRIFs).

Table 6.3 lists the common sources of income for poor seniors in 2001. There are two columns for each family type, one that gives the percentage of poor seniors who received each kind of income, and one that gives the average amount received. The averages are calculated only for the people who had that particular type of income. The figure for investment income, for example, is the average for poor seniors who actually had investment income, not the average for all poor seniors.

The figures for poor couples in Table 6.3 need to be used with caution. The sample size of senior couples in the survey used to generate the poverty statistics was small, and the results tend to be less reliable than larger samples. The percentage of couples who got Old Age Security and the average amount of investment income received in 2001 both were noticeably lower than in previous years.

Most people 65 and older get Old Age Security pensions, but the table shows that only 72% of poor senior couples got OAS in 2001. Statistics Canada said that was due to a relatively large percentage of immigrant seniors who did not meet the OAS residence requirement. The maximum OAS pension for a single senior in 2001 was $5,232 a year. Married persons each get an OAS pension in their own name.

TABLE 6.3: SOURCES OF INCOME FOR POOR SENIORS, 2001						
	Couples 65 and Older (58,000)		Unattached Women 65 and Older (365,000)		Unattached Men 65 and Older (95,000)	
	% Who Received	Average Amount per Recipient	% Who Received	Average Amount per Recipient	% Who Received	Average Amount per Recipient
Old Age Security	72%	$7,290	99%	$4,985	96%	$4,753
Guaranteed Income Supplement and Spouse's Allowance	86%	$5,735	90%	$4,144	90%	$4,067
Canada and Quebec Pension Plans	80%	$6,227	78%	$4,112	83%	$4,314
Pension Income	--	--	21%	$2,764	20%	$1,478
Investment Income	33%	$81	40%	$1,432	23%	$1,202
GST/HST Credits	100%	$414	100%	$310	100%	$307
Provincial Credits and Supplements	73%	$723	83%	$455	85%	$422
Income from All Sources	100%	$17,913	100%	$14,010	100%	$13,346
Income Tax Paid	--	--	23%	$571	20%	$348
Income after Income Taxes	100%	$17,874	100%	$13,878	100%	$13,275

-- Sample size too small

The Guaranteed Income Supplement goes to poor people 65 and older who have little or no other sources of income aside from Old Age Security. The maximum GIS payment for a single person in 2001 was $6,218 and the maximum for a couple was $8,101. The GIS statistics in Table 6.3 also include any Spouse's Allowance payments to poor spouses 60 through 64 who were married to GIS pensioners 65 and older.

Income from the Canada and Quebec Pension Plans was also a major source of income for many poor seniors. The maximum retirement pension in 2001 was $9,300. The statistics also include disability benefits and pensions for surviving spouses from the CPP or QPP.

Together, these three major sources of income - OAS, GIS and CPP/QPP - make up the bulk of the incomes of poor seniors and a major part of the incomes of many non-poor seniors. The programs are not generous enough by themselves to lift all seniors out of poverty, but they have had a major impact on the living standards of seniors since they began more than a generation ago.

Pension income in the table includes benefits from occupational or workplace pension plans and benefits from RRSPs and RRIFs, but not lump-sum withdrawals from RRSPs. Investment income includes interest income, stock dividends, net income from partnerships and net rental income. Both pension income and investment income are important sources of income for some poor seniors, but the percentage of recipients was fairly low in both cases.

Provincial tax credits and supplements include a variety of tax credits claimed on the income tax forms and also the provincial supplements for poor seniors paid by a number of provinces.

The last three lines of the table list income from all sources, any federal or provincial income tax paid and income after income taxes. Relatively few poor seniors pay income taxes and the average amounts paid are very small. That is partly because the Guaranteed Income Supplement is not taxable, the first $1,000 of income from an occupational pension plan is not taxable, and much of the taxable income of poor seniors is offset by the personal amount and the age amount, two tax breaks that are claimed on the income tax forms.

Not surprisingly, the sources of income for poor families and unattached individuals under age 65 are much different than the sources of income for poor seniors. Earnings, including net income from self-employment, are the main source of income for a majority of the younger poor. Welfare is a common source of income for single-parent mothers, less so for other family types under 65. Federal and provincial child benefits are also very important for families with children.

Table 6.4 shows common sources of income for three types of poor families under 65. Single-parent fathers under 65 were not included because the small sample size in the survey did not produce reliable results for most sources of income.

Earnings were received by 82 percent of the poor two-parent families, 59 percent of the poor single-parent mothers and 61 percent of the poor couples under 65 without children. The average amounts in all cases were substantial and suggest more than one earner in some families. By way of comparison, earnings of $13,271 were the equivalent of $9 an hour for 1,470 hours of work during the year, the minimum time used by Statistics Canada to define full-time, full-year work. Also by way of comparison, average weekly earnings for all Canadians in 2001 added up to $34,684 for the year as a whole.

We will have much more to say about the relationship between paid work and poverty in the next chapter.

Sixty percent of the single-parent mothers relied on welfare for at least part of the year in 2001, and so did 30 percent of the two-parent families and 28 percent of the couples under 65 without children. The average amounts of welfare received suggest that the families had more than a fleeting association with the welfare system during the year. The National Council of Welfare's report *Welfare Incomes, 2000 and 2001* calculated that provincial welfare and related benefits in 2001 for a single parent with one child ranged from $8,741 a year in Alberta to $11,704 in Newfoundland and Labrador. Benefits for a couple with two children ranged from $11,328 in New Brunswick to $14,521 in Prince Edward Island. The report did not have similar calculations for a couple without children.

TABLE 6.4: SOURCES OF INCOME FOR POOR FAMILIES UNDER 65, 2001

	Couples Under 65 with Children (293,000)		Single-Parent Mothers Under 65 (217,000)		Couples Under 65 without Children (158,000)	
	% Who Received	Average Amount per Recipient	% Who Received	Average Amount per Recipient	% Who Received	Average Amount per Recipient
Earnings	82%	$13,271	59%	$8,764	61%	$9,607
Welfare	30%	$8,833	60%	$6,990	28%	$9,177
Employment Insurance	18%	$5,082	12%	$2,964	12%	$3,650
Federal and Provincial Child Benefits	100%	$5,065	100%	$4,851	n/a	n/a
Investment Income	25%	$1,773	7%	$509	28%	$608
Canada and Quebec Pension Plans	5%	$4,141	--	--	28%	$5,391
Workers' Compensation	5%	$3,233	--	--	--	--
GST/HST Credit	100%	$654	100%	$573	97%	$412
Provincial Tax Credits	75%	$473	76%	$248	67%	$450
Income from All Sources	100%	$22,326	100%	$16,995	100%	$12,466
Income Tax Paid	43%	$1,066	15%	$588	28%	$1,071
Income after Income Taxes	100%	$21,872	100%	$16,909	100%	$12,170

-- Sample size too small

The regular Employment Insurance program suffered greatly from cuts by successive federal governments during the past two decades and now is a shadow of its former self. The program provides a limited number of weeks of replacement income to workers who lose their jobs and satisfy the many other program requirements. It also provides maternity and parental benefits for up to 50 weeks to workers who meet the program requirements and who have newborns or newly adopted children. Relatively few poor families received EI benefits in 2001.

Income from federal and provincial child benefits is an important source of income for the two family types with children under 18. The category in the table consists of the major national program funded by the federal government variously known as Canada Child Tax Benefit or the National Child Benefit and provincial programs that differ enormously from province to province. In 2001, the maximum federal benefit for a family with one child under seven was $2,447 and the maximum for a family with two children seven through 17 was $4,250.

The income from the Canada and Quebec Pension Plans in the table was most likely disability pension income. The percentage and the average amount received by the poor two-parent families were in the same order as the figures for workers' compensation.

The percentage of poor families under 65 paying income taxes was fairly small. The figures were very small for single-parent mothers, because single parents can take an equivalent-to-married amount for one child and thereby reduce their taxes substantially.

Table 6.5 lists the sources of income for the two remaining family types, unattached women and men under age 65. Most of the sources of income are the same as in Table 6.4.

Once again, earnings were the single most important source of income. Welfare was the second most important source, and the average amounts received suggest that many recipients were on welfare for all or most of the year. *Welfare Incomes 2000 and 2001* estimated that welfare and related benefits for a single employable person in 2001 ranged from $3,070 in Newfoundland and Labrador to $6,623 in Ontario. Benefits for a single person with a disability ranged from $6,696 in New Brunswick to $11,466 in Ontario.

Aside from earnings, welfare, and federal and provincial tax credits, the rest of the sources of income in the table were claimed by a relatively small percentage of poor unattached individuals under 65. Several of the sources, however, represented significant amounts of money for those who claimed them.

The income from the Canada and Quebec Pension Plans could have been disability pensions or perhaps early retirement benefits for people 60 through 64. The plans allow workers to take a reduced pension at 60 rather than wait for a normal pension at 65. Some provincial welfare programs require applicants to apply for CPP or QPP pensions at 60 as a way of reducing welfare costs.

TABLE 6.5: SOURCES OF INCOME FOR POOR UNATTACHED INDIVIDUALS UNDER 65, 2001				
	Unattached Women Under 65 (507,000)		Unattached Men Under 65 (514,000)	
	% Who Received	Average Amount per Recipient	% Who Received	Average Amount per Recipient
Earnings	56%	$8,121	58%	$7,415
Welfare	31%	$6,787	32%	$6,371
Employment Insurance	7%	$2,922	12%	$3,780
Investment Income	15%	$957	14%	$1,122
Canada and Quebec Pension Plans	14%	$4,664	11%	$6,130
Spouse's Allowance	3%	$4,190	--	--
Pension Income	3%	$5,385	--	--
GST/HST Credit	100%	$252	100%	$254
Provincial Tax Credits	67%	$193	64%	$194
Income from All Sources	100%	$8,612	100%	$8,303
Income Tax Paid	29%	$932	30%	$936
Income after Income Taxes	100%	$8,341	100%	$8,018

-- Sample size too small

Spouse's Allowance refers to the federal income support program for spouses of GIS pensioners or widows of GIS pensioners who are ages 60 through 64. The very small percentage in the table and the fact that the family type is unattached women under 65 suggest that the recipients were widows.

Similarly, there were a small percentage of unattached women under 65 reporting pension income. The amounts could consist of early retirement pensions or income from RRSPs or RRIFs. The total average amount reported was $5,385, making it a major source of income for that three percent.

While the data in Tables 6.4 and 6.5 shed much light on typical sources of income among poor people as a group, we need to know more about the actual combinations of income. Obviously, some poor people have only one main source of income, and others have more than one.

To help fill the gap, the National Council of Welfare asked Statistics Canada to do special data tabulations based on different combinations of the three main sources of income for poor people under 65: earnings, welfare and Employment Insurance. The result was four tabulations showing poor people who relied on earnings only, welfare only, earnings and welfare together, and earnings and Employment Insurance together. Other possible combinations, such as welfare and EI, produced results that were too small and too unreliable to publish.

Figures 6.1 through 6.4 show the number of poor families and unattached individuals under 65 by primary sources of income in 2001.

Among poor two-parent families under 65, the largest single group was the group that relied on earnings as their primary source of income: 147,000 families or 50 percent of all poor two-parent families under 65. The three slices representing earnings only, earnings and welfare, and earnings and EI added up to 78 percent. That shows that the vast majority of poor two-parent families had significant attachments to the paid labour force in 2001. The slice of the pie labelled "other" includes other combinations of income that were too small to report.

The pie for single-parent mothers under 65 had a relatively smaller slice for earnings only and a relatively larger slice for welfare only. Even so, the total of the three slices that included earnings added up to 56 percent of all poor single-parent mothers under 65.

The pie for couples under 65 without children had no reliable results for couples who received both earnings and welfare, but the two earnings-related slices shown totalled 52 percent. The relatively large "other" slice included a sizable number of couples - presumably couples who were older, but not older than 65 - who relied on Canada or Quebec Pension Plan benefits as their primary source of income. The type of benefit was not specified, but it most likely was early retirement benefits for persons ages 60 to 65 or disability benefits.

The pie for unattached individuals under 65 includes both unattached men and women, because the data showed no significant differences between the two groups in terms of their primary sources of income. The largest slice was earnings alone, and the three earnings-related slices added up to 56 percent of all poor unattached individuals under 65.

Figure 6.1: Primary Sources of Income, Poor Couples Under 65 with Children, 2001

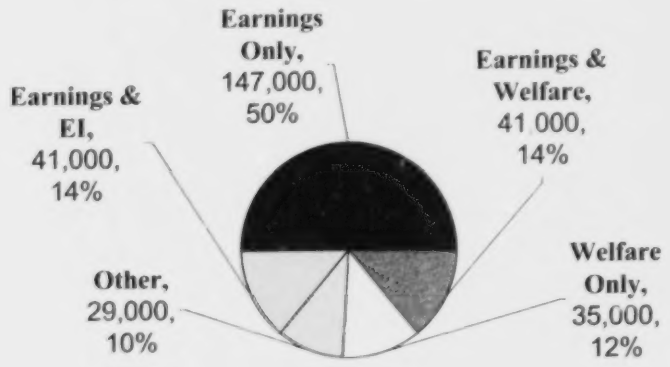


Figure 6.2: Primary Sources of Income, Poor Single-Parent Mothers 2001

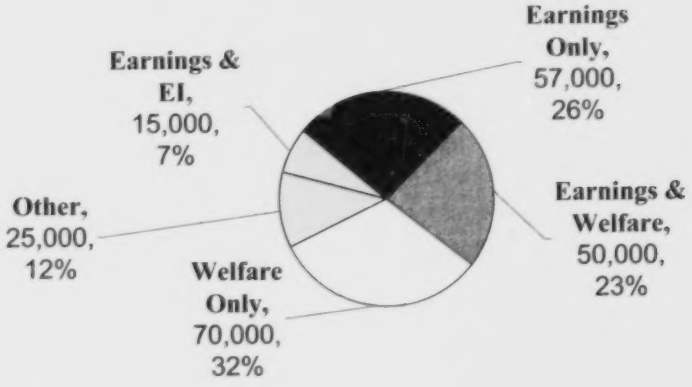


Figure 6.3: Primary Sources of Income, Poor Couples Under 65 without Children, 2001

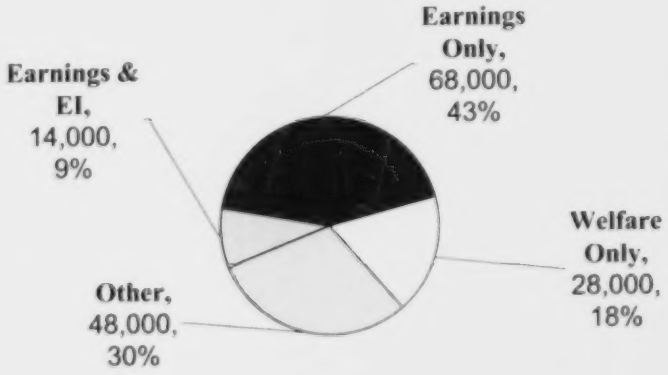
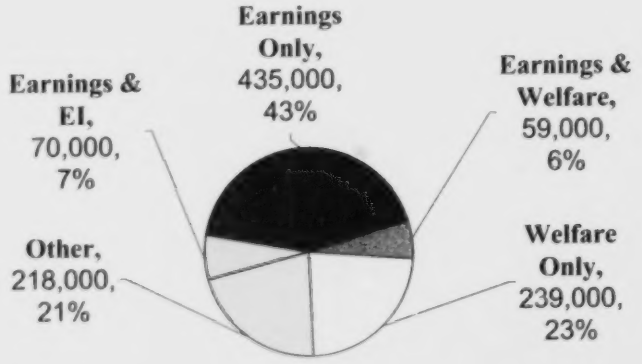


Figure 6.4: Primary Sources of Income, Poor Unattached Individuals Under 65, 2001



Statistics Canada also provided details about the average amounts received by each of the groups for each source of income, total average income after government transfer payments but before federal and provincial income taxes, and average income after income taxes. The results appear in Tables 6.6 and 6.7.

For the poor two-parent families under 65 with earnings alone as their primary source of income, average earnings were $15,156 and average child benefits from the federal and provincial governments combined were $5,276. With miscellaneous income added in, total average income after transfers and before income taxes was $22,931, and average income after income taxes was $22,309.

To put the earnings figure into perspective, $15,156 is the equivalent of an hourly wage of $10.31 for 1,470 hours of work, the minimum number of hours that qualifies under Statistics Canada's definition of full-time, full-year work. Full-year work was probably the norm in this group, because there was no income from welfare or EI.

Fifty-four percent of the earnings only group paid income taxes, and the other 46 percent did not. The average tax bill for the families who paid income taxes was $1,158. In the earnings and EI group, 74 percent paid income taxes, and the average tax bill was $960. In the two remaining groups of poor two-parent families, the number of families who paid income taxes was either nil or too small to report. That is because neither welfare nor child benefits are taxable.

Much the same patterns appear in the four groups of poor single-parent mothers under 65 in Table 6.6, although the average amounts of earnings, EI and welfare were lower in all cases than the comparable figures for poor two-parent families. That is partly because there is normally only one breadwinner in single-parent families, but often more than one in two-parent families.

The group of single-parent mothers with earnings only had average earnings of $10,265, or the equivalent of $6.98 an hour for 1,470 hours. Thirty-two percent of the group paid income taxes, and the average tax bill was $660. In the other three groups of single-parent mothers, there were either no poor families subject to income taxes or too few families who paid income taxes to produce reliable results.

For both poor two-parent families and poor single-parent mothers, average incomes after income taxes were several thousand dollars lower for the group with welfare as their primary source of income. That is partly because welfare benefits in Canada have been notoriously low for many years. It is also a reflection of the "clawback" of the National Child Benefit Supplement from families on welfare by some provincial governments.

In the absence of the clawback, provincial welfare payments would be higher and average total incomes would be much more in line with the incomes of the other three groups in the table. That said, all the average incomes in the table are very low, if not abysmally low.

TABLE 6.6: AVERAGE INCOMES OF POOR FAMILIES WITH CHILDREN BY PRIMARY SOURCES OF INCOME, 2001		
	Couples under 65 with Children Under 18	Single-Parent Mothers Under 65 with Children Under 18
EARNINGS AS PRIMARY SOURCE OF INCOME		
Earnings	$15,156	$10,265
Child Benefits	$5,276	$4,845
Total Before-Tax Income	$22,931	$18,195
Income after Income Taxes	$22,309	$17,985
EARNINGS AND EMPLOYMENT INSURANCE AS PRIMARY SOURCES OF INCOME		
Earnings	$12,670	$11,695
Employment Insurance	$5,440	$3,147
Child Benefits	$4,368	$4,923
Total Before-Tax Income	$24,313	$21,421
Income after Income Taxes	$23,606	$21,056
EARNINGS AND WELFARE AS PRIMARY SOURCES OF INCOME		
Earnings	$8,493	$6,289
Welfare	$7,953	$5,693
Child Benefits	$5,037	$4,640
Total Before-Tax Income	$23,726	$18,563
Income after Income Taxes	$23,656	$18,545
WELFARE AS PRIMARY SOURCE OF INCOME		
Welfare	$11,305	$8,275
Child Benefits	$5,512	$4,838
Total Before-Tax Income	$19,787	$14,937
Income after Income Taxes	$19,787	$14,937

Table 6.7 shows similar income data for poor couples under 65 without children and poor unattached individuals under 65. Once again, average incomes ranged from very low to abysmal.

Among poor couples under 65 without children in the earnings only group, average earnings were $10,812 or the equivalent of $7.36 an hour for 1,470 hours. Thirty-six percent of the group paid income taxes, and the average paid was $520. There were very few families who paid income taxes in the other three groups.

Among poor unattached individuals under 65 with earnings only, average earnings were $8,257 or the equivalent of $5.62 an hour for 1,470 hours. Forty-four percent of the group paid income taxes, and the average tax bill was $992. In the earnings and EI group, 69 percent paid income taxes, and the average paid was $1,097. There were not enough taxpayers to report in the two remaining groups.

TABLE 6.7: AVERAGE INCOMES OF POOR COUPLES AND UNATTACHED INDIVIDUALS UNDER 65 BY PRIMARY SOURCES OF INCOME, 2001		
	Couples under 65 without Children	Unattached Individuals Under 65
EARNINGS AS PRIMARY SOURCE OF INCOME		
Earnings	$10,812	$8,257
Total Before-Tax Income	$13,590	$9,303
Income after Income Taxes	$13,404	$8,896
EARNINGS AND EMPLOYMENT INSURANCE AS PRIMARY SOURCES OF INCOME		
Earnings	$10,153	$7,960
Employment Insurance	$3,577	$3,091
Total Before-Tax Income	$16,008	$11,988
Income after Income Taxes	$15,307	$11,234
EARNINGS AND WELFARE AS PRIMARY SOURCES OF INCOME		
Earnings	--	$4,381
Welfare		$4,855
Total Before-Tax Income		$9,979
Income after Income Taxes		$9,847
WELFARE AS PRIMARY SOURCE OF INCOME		
Welfare	$9,884	$7,338
Total Before-Tax Income	$12,562	$8,880
Income after Income Taxes	$12,562	$8,875

-- Sample size too small

VII. POVERTY AND PAID WORK

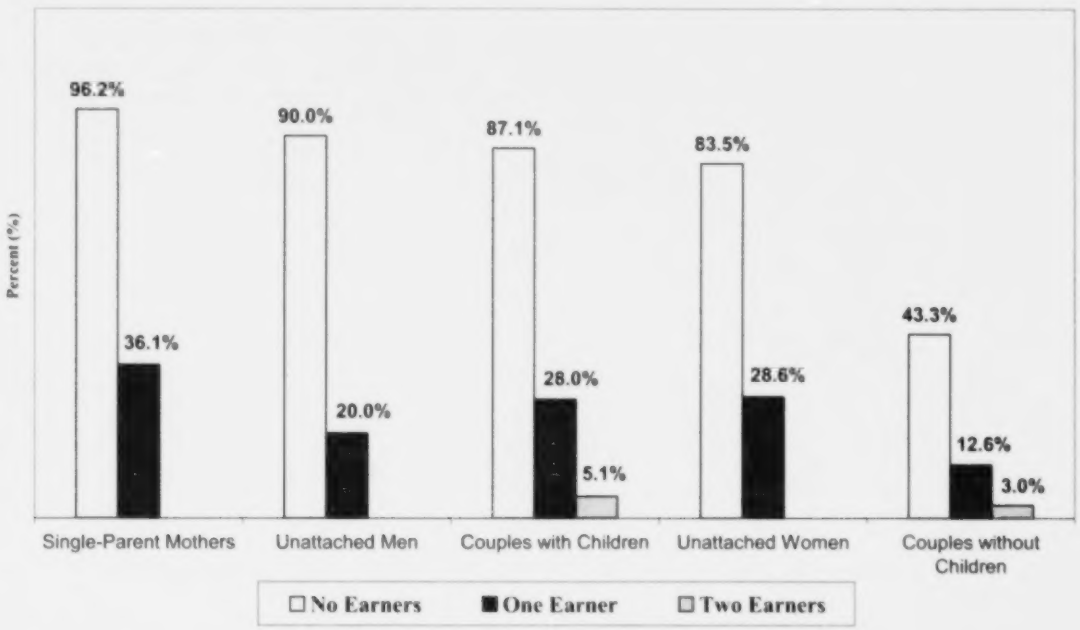
For some Canadians, having a job is the best protection against poverty. For others, having a job or two jobs or even three jobs is not enough to keep the wolf away from the door.

This chapter examines the relationship between poverty and paid work. It highlights the huge number of poor people with earnings as a major source of their total income. It also points out the main shortcomings of the modern-day labour market, shortcomings that make it extremely difficult for many people to work their way out of poverty.

Earnings refer to wages and salaries before any payroll deductions and net income from self-employment after the deduction of business expenses. Self-employment income includes the net income of unincorporated business persons, farmers and professionals.

The importance of paid work is best seen among family types under 65. Five of the six common family types under 65 have poverty rates that vary sharply with the number of earners in the family unit. Figure 7.1 gives the details for 2001. There were not enough poor single-parent fathers to allow a comparison of poverty rates by number of earners in the family.

Figure 7.1: Poverty Rates by Number of Earners, Family Types under 65, 2001



Four of the family types had extraordinarily high rates of poverty where there were no earners, as shown by the white bars. Single-parent mothers under 65 fared the worst, with a poverty rate of 96.2 percent for families with no earners. Couples under 65 without children and no earners in the family had a poverty rate of 43.3 percent - relatively low compared to the other family types, but relatively high compared to most of the other poverty rates in this report.

With one earner, the poverty rates for all five family types plummeted. Single-parent mothers were still the worst off, but the poverty rate for families with one earner was down to 36.1 percent.

The rates fell further still with two earners in the family, as in the case of couples under 65 without children and two-parent families. The rate for couples dropped to three percent, and the rate for two-parent families fell to 5.1 percent.

For unattached women and men, the maximum number of earners in the family unit was one by definition, although an unattached individual might be able to have two full-time jobs or to work more than 40 hours a week. One earner was also the normal limit for single-parent families, although a very small number of families had a teenager or older child who was a second earner.

The importance of having more than one breadwinner - in this case, people with income from earnings - has been evident year after year from the time the first poverty rates were produced by Statistics Canada nearly a half century ago. The statistics for couples under 65 without children and two-parent families are especially compelling, and even the statistics for single-parent mothers are worth a look. Figures 7.2, 7.3 and 7.4 show poverty rates by the number of earners for all three family types.

Figure 7.2: Poverty Rates by Number of Earners, Couples Under 65 without Children, 1980-2001

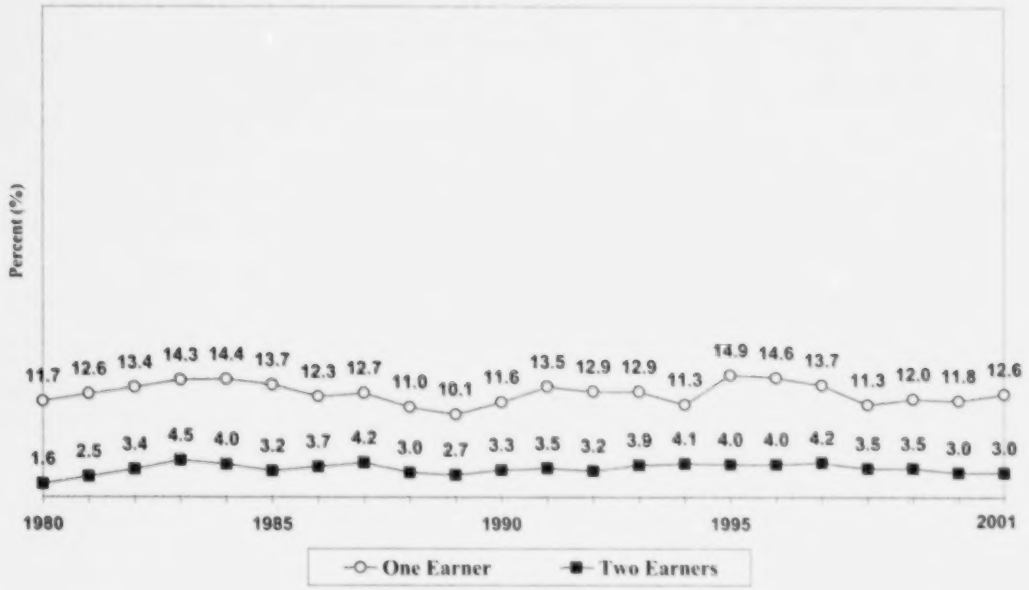


Figure 7.3: Poverty Rates by Number of Earners, Couples Under 65 with Children, 1980-2001

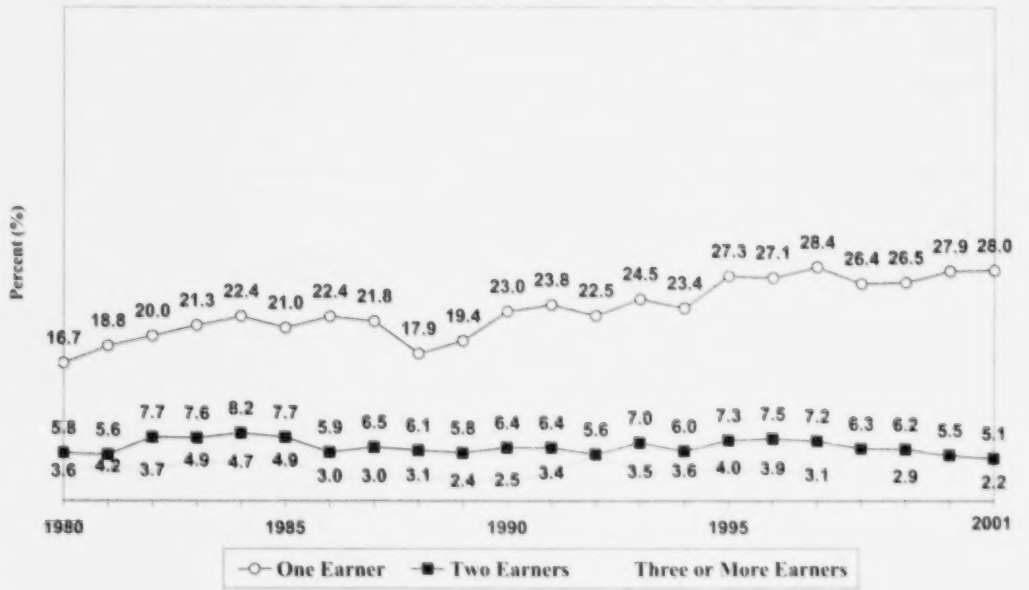
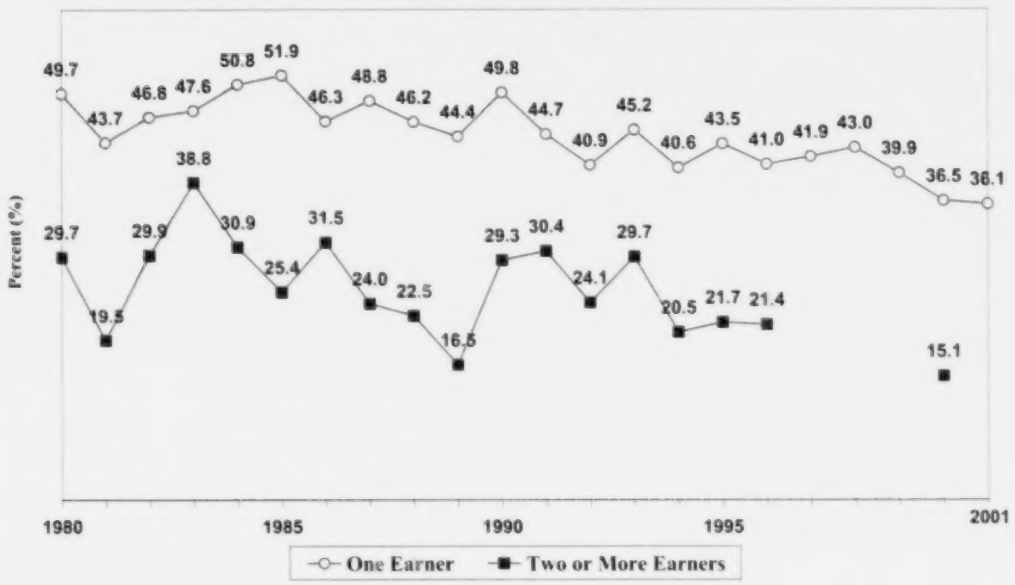


Figure 7.4: Poverty Rates by Number of Earners, Single-Parent Mothers Under 65, 1980-2001



The poverty rate for couples without children and only one earner was ten percent or higher every year from 1980 through 2001. The comparable rate for two-earner couples was less than five percent every single year.

In 2001, there were a total of 158,000 poor couples under 65 without children: 62,000 without earners, 54,000 with one earner and 42,000 with two earners. In percentage terms, 39.2 percent of the poor couples without children had no earners, 34.2 percent had one earner and 26.6 percent had two earners.

The figure for two-parent families shows a larger and ever-growing gap among earners. The poverty rate for one-earner families went from 16.7 percent in 1980 to 28 percent in 2001. Meanwhile, the rate for families with two earners and the rate for the small number of families with three or more earners were both very low. The breaks in the bottom line showing three or more earners occurred whenever the sample size was too small to be reliable.

In 2001, there were a total of 295,000 poor two-parent families. There were 54,000 poor families with no earners, 128,000 with one earner, 100,000 with two earners and only 13,000 with three or more earners. That worked out to 18.3 percent of poor two-parent families with no earners, 43.4 percent with one earner, 33.9 percent with two earners and 4.4 percent with three or more earners.

The figure for single-parent mothers shows a high poverty rate for families with one earner that has been declining over time, from 49.7 percent in 1980 to 36.1 percent in 2001. The rate for families with two or more earners was much lower and also much more erratic. In the five years that ended in 2001, only one year had a reportable poverty rate for single-parent mothers in families with two or more earners.

There were a total of 217,000 poor families in 2001 led by single-parent mothers: 89,000 with no earners and 116,000 with one earner. In percentages, that was 41 percent of all poor families led by single-parent mothers with no earners and 53.5 percent with one earner. The number of single-parent mother families with two or more earners in 2001 was too small to produce reliable results.

The rest of this chapter adds some further insights into the importance and limitations of work as protection against poverty. It considers poverty by weeks of work and patterns of work. It also takes a look at the low-wage poor or "working poor".

For poor people with some attachment to the paid labour force, one of the best markers of poverty is the number of weeks worked during any given year. Simply put, the risk of poverty falls as the number of weeks of paid work rises.

Figure 7.5 includes special data runs from Statistics Canada that were done at the request of the National Council of Welfare. They show the poverty rates for families according to the number of weeks worked by the major income earner plus, in the case of couples, any weeks worked by the other partner. That means couples could have up to 104 weeks of work a year. The poverty rates for unattached individuals cover only one person by definition and therefore this maximum is 52 weeks of work a year.

Figure 7.5: Poverty Rates by Weeks of Work Unattached Individuals Under 65 and Major Income Earners in Families, 2001

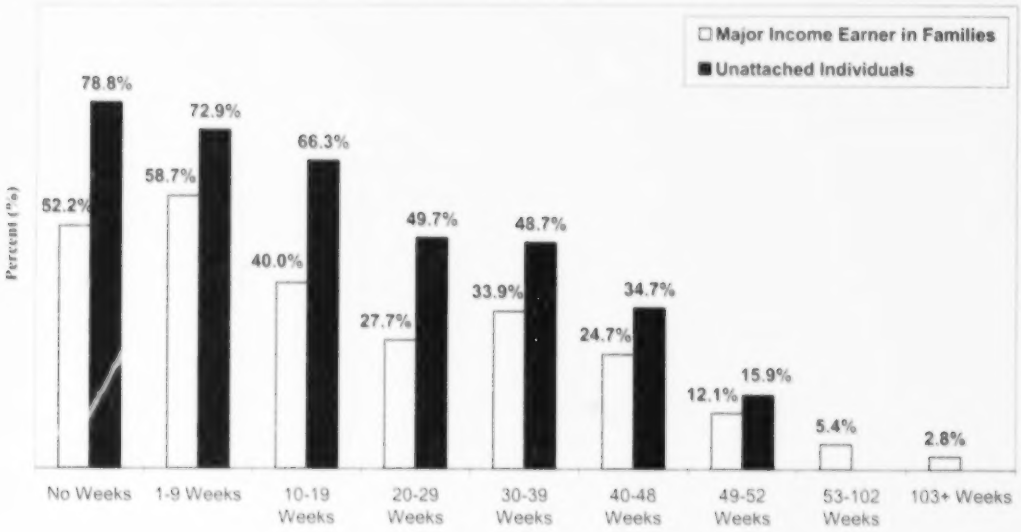
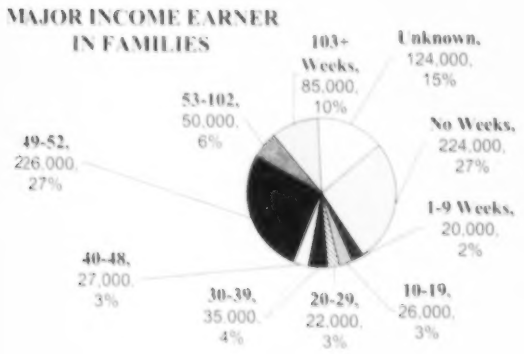
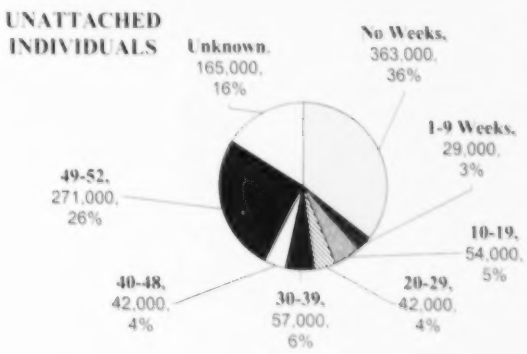


Figure 7.6: Distribution of Poor Unattached Individuals and Poor Families by Weeks of Work, 2001





The poverty rates for families ranged from a high of 58.7 percent for families with one to nine weeks of work to a low of 2.8 percent for families with a total of 103 or more weeks of work. The range for unattached individuals went from 78.8 percent for persons with no weeks of work to 15.9 percent for persons with 49 to 52 weeks of work.

A large percentage of poor people under 65 had some connection to the paid labour force, but even steady work did not allow them to escape from poverty. The pies shown in Figure 7.6 included 226,000 poor families working more or less year-round at 49 to 52 weeks, 50,000 poor families with between 53 and 102 weeks of work, and 85,000 poor families with more than 103 weeks of work. That added up to 361,000 poor families or 43 percent of all poor families. Meanwhile, there were 271,000 poor unattached individuals working 49 to 52 weeks or just over 26 percent of all poor unattached individuals.

One part of the problem, of course, is not enough full-time jobs, and another part of the problem is too many jobs with very low wages. Figures 7.7 and 7.8 examine the work patterns of poor Canadians in terms of full-time and part-time jobs and full-year and part-year jobs. Table 7.1 that follows the two figures has detailed information on the wages earned by workers with different work patterns.

Statistics Canada considers a full-time job one that provides 30 hours a week or more of work. A full-year job is one that lasts at least 49 weeks a year.

Figure 7.7: Poverty Rates and Work Patterns, 2001

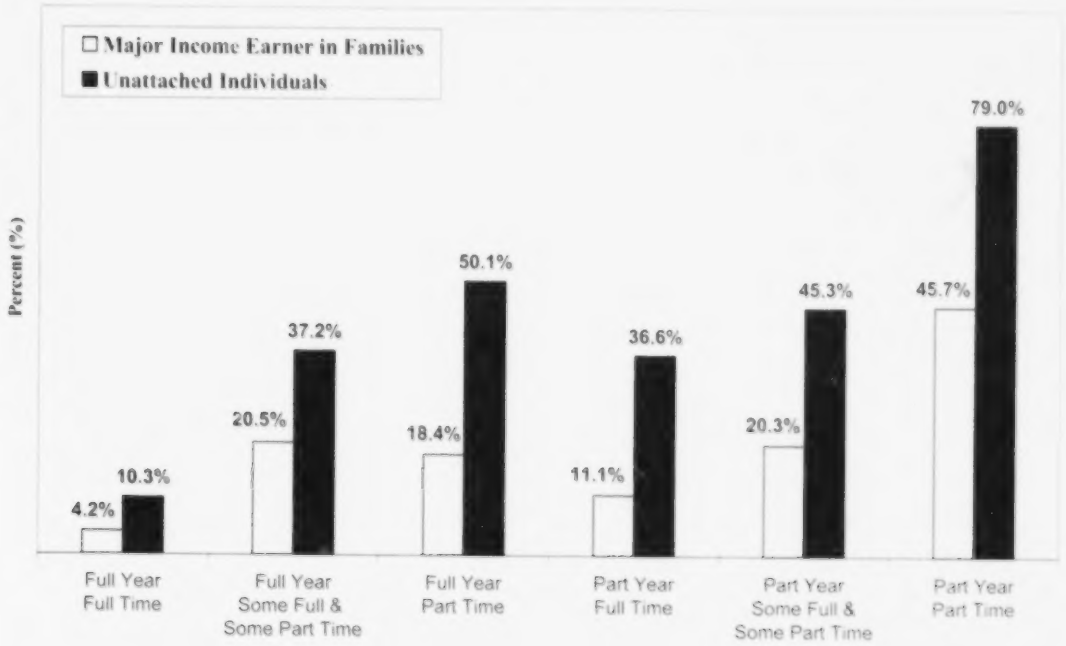
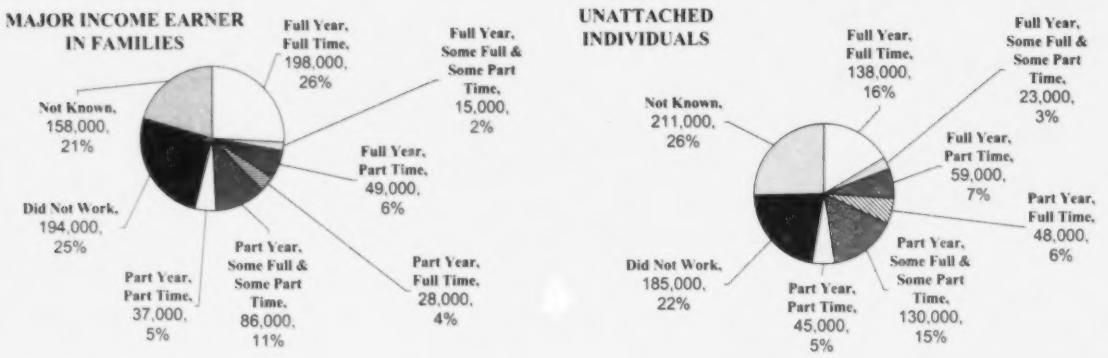


Figure 7.8: Distribution of Poor Unattached Individuals Under 65 and Major Income Earners in Families Under 65 by Work Patterns, 2001


MAJOR INCOME EARNER IN FAMILIES
Full Year, Full Time, 198,000, 26%
Full Year, Some Full & Some Part Time, 15,000, 2%
Full Year, Part Time, 49,000, 6%
Part Year, Full Time, 28,000, 4%
Part Year, Some Full & Some Part Time, 86,000, 11%
Part Year, Part Time, 37,000, 5%
Did Not Work, 194,000, 25%
Not Known, 158,000, 21%
UNATTACHED INDIVIDUALS
Full Year, Full Time, 138,000, 16%
Full Year, Some Full & Some Part Time, 23,000, 3%
Full Year, Part Time, 59,000, 7%
Part Year, Full Time, 48,000, 6%
Part Year, Some Full & Some Part Time, 130,000, 15%
Part Year, Part Time, 45,000, 5%
Did Not Work, 185,000, 22%
Not Known, 211,000, 26%

The bars in Figure 7.7 begin with the three different combinations of full-year work, followed by the three different combinations of part-year work. The lowest poverty rates go along with the most amount of work: full-time work that lasts the entire year. The poverty rate in 2001 for families with the major income earner working full year and full time was 4.2 percent, and the comparable rate for unattached individuals was 10.3 percent. The highest poverty rates were for families and unattached persons with part-year, part-time work.

The pies shown in Figure 7.8 have large slices representing poor families and unattached individuals with no work at all in 2001 or poor family units where the work situation was not known. Among those who did work during the year, the largest slices of the pie were for family units with full-year, full-time work. The slices for part-year, part-time work were among the smallest.

Even a full-year, full-time job is often not enough to avoid poverty, however. Table 7.1 shows average earnings for each of the six types of work shown in the last two figures.

Among families, average family earnings ranged from a high of $14,335 for poor families with a full-year worker who did some full-time work and some part-time work to a low of $6,378 a year for poor families with a part-year, part-time worker. Among unattached individuals, the range was from $9,336 for a full-year worker with a mixture of full-time and part-time work to $5,113 for a part-year, part-time worker.

TABLE 7.1: AVERAGE FAMILY EARNINGS BY WORK PATTERNS OF MAJOR INCOME EARNERS IN FAMILIES AND UNATTACHED INDIVIDUALS UNDER 65, 2001

	Poor Families	Poor Unattached Individuals
Full Year, Full Time	$11,977	$8,415
Full Year, Some Full Time and Some Part Time	$14,335	$9,336
Full Year, Part Time	$9,804	$7,387
Part Year, Full Time	$11,468	$7,622
Part Year, Some Full Time and Some Part Time	$10,491	$7,868
Part Year, Part Time	$6,378	$5,113

Some of the wage rates suggested by annual earnings in the table are abysmally low. A person must work at least 30 hours a week for 49 weeks to qualify as a full-year, full-time worker under the definition used by Statistics Canada. That means a minimum of 1,470 hours of work a year.

The families and unattached individuals in Table 7.1 with full-year, full-time work must have been at the very bottom of the pay scale in 2001. Average family earnings of $11,977 were the equivalent of $8.15 a hour for 1470 hours. Average earnings of $8,415 for unattached individuals were even worse at $5.72 a hour - less than the minimum wage in some provinces.

Finally, we look at the low-wage poor or working poor using a methodology adopted many years ago by the National Council of Welfare. It defines the low-wage poor as families and unattached individuals under 65 who get more than 50 percent of their total income from earnings. This definition sidesteps the issues of work patterns and wage rates and simply focuses on poor people with a heavy reliance on paid jobs to pay for the necessities of life.

Using this definition, there were 374,000 families and 477,000 unattached individuals who made up the working poor in 2001. That was 49 percent of poor families under 65 and 57 percent of poor unattached individuals. For the purpose of these calculations, Statistics Canada excluded poor people who were completely unable to work during the year.

TABLE 7.2: POOR FAMILIES AND UNATTACHED INDIVIDUALS UNDER 65 WITH HALF OR MORE OF THEIR TOTAL INCOME FROM EARNINGS, 2001					
	Unattached Men	Unattached Women	Couples without Children	Two-Parent Families	Single-Parent Mothers
Number of Poor Families or Unattached Individuals	433,000	407,000	134,000	278,000	196,000
Number with Earnings of 50% or More of Total Income	239,000	239,000	72,000	155,000	56,000
Percentage with Earnings of 50% or More	55%	59%	54%	56%	29%
Average Annual Earnings	$8,722	$9,160	$11,681	$17,117	$13,422
Average Income from Other Sources	$967	$1,016	$1,732	$7,640	$6,619
Average Total Income	$9,689	$10,176	$13,413	$24,757	$20,041
Earnings as Percentage of Total Income	90%	90%	87%	69%	67%

Table 7.2 provides further information about the low-wage poor within five common family types under age 65. The first two rows of the table give the number of poor family units and the number deemed to be low-wage poor. The third row gives the percentage of low-wage poor compared to all the poor within each family type: 55 percent of poor unattached men under 65, 59 percent of poor unattached women under 65, 54 percent of poor couples under 65 without children, 56 percent of poor two-parent families, and 29 percent of poor single-parent mothers.

The percentage of single-parent mothers stands out from the rest. This is partly due to the fact that there is rarely more than one earner in poor single-parent families. It is also a reflection of parental responsibilities that keep a number of single-parent mothers out of the paid labour force.

The next three rows of the table show the average earnings of each family type, average income from other sources, and average total income. It is clear from the dollar figures that earnings are a highly significant source of income for the low-wage poor, far eclipsing all other sources of income. Other sources of income for unattached men and women and couples without children were very small in 2001, probably not much more than the federal GST/HST credit and some provincial tax credits. The other sources of income for the families with children were substantially higher. Much of the total relates to federal and provincial child benefits.

The bottom row gives the percentage of earnings compared to income from all sources: 90 percent for unattached men and women, 87 percent for couples without children, 69 percent for two-parent families, and 67 percent for single-parent mothers. Although the definition of low-wage poor required family units to have at least 50 percent of their incomes from earnings, the percentages on average were much higher than 50 percent.

VIII. A CLOSER LOOK AT WOMEN, CHILDREN AND SENIORS

This chapter takes a closer look at three groups of special interest to the National Council of Welfare: women, children and seniors.

Women traditionally have higher poverty rates than men, and the differences often arise from the disadvantages women face in the paid labour force and the disproportionately large responsibilities they have for the care of children.

Children have been a concern because of the importance of early childhood development and the effects of child poverty that can last a lifetime. Members of the House of Commons voted unanimously in 1989 to work to end child poverty by the turn of the century, but seldom looked for solutions beyond a gradual increase in child benefits.

Poverty rates for seniors collectively have plummeted over the years, but there are still deep and persistent pockets of poverty among certain groups of seniors that governments have not addressed. Government action is essential to the well-being of today's seniors, because many of them are living on fixed incomes and have limited financial options on their own.

WOMEN

Most of the differences in the poverty rates between women and men can be explained by the very high poverty rates of three family types: single-parent mothers under 65, unattached women under 65 and unattached women 65 and older. The poverty rate for single-parent mothers in 2001 was 42.4 percent. That was the lowest in 22 years, but still more than twice the poverty rate of 19.3 percent for single-parent fathers. The poverty rate for unattached women under 65 was 40.3 percent compared to 29.8 percent for unattached men under 65. The poverty rate for unattached women 65 and older was 45.6 percent - the highest of any of the nine major family types in 2001 and substantially higher than the comparable rate of 32.8 percent for unattached senior men.

By definition, the poverty rates for women and men are identical in the case of couples. That does not mean that all women and men have equal access to family income or family assets. The poverty statistics do not indicate financial clout within families. They simply measure whether total family income from all sources is above or below the poverty line.

When women and men are considered as persons rather than members of family units, there are distinct differences based on gender and age group. In 2001, the poverty rate for women 18 through 64 was 14.7 percent, and the comparable rate for men was 12.5 percent - a difference of 2.2 percentage points. The poverty rate for women 65 and older was 21.2 percent and the rate for men was 11.1 percent - a difference of 10.1 percentage points.

Table 8.1 provides the poverty rates for women and men back to 1980. It confirms that the differences between the sexes have been long-standing and particularly sharp in the case of senior women and men. The table also shows the ratio of poverty rates, women to men. A

ratio of 1.35, for example, means that the poverty rate for women was 35 percent higher than the rate for men.

TABLE 8.1: POVERTY RATES FOR WOMEN AND MEN, 1980-2001

	Women 18-64	Men 18-64	Ratio of Poverty Rates	Women 65 and Older	Men 65 and Older	Ratio of Poverty Rates
1980	15.1%	11.2%	1.35	39.6%	26.4%	1.50
1981	14.7%	11.2%	1.31	39.1%	26.1%	1.50
1982	15.8%	13.2%	1.20	36.3%	20.2%	1.80
1983	17.5%	14.7%	1.19	37.8%	22.3%	1.70
1984	17.9%	14.3%	1.25	35.2%	22.1%	1.59
1985	16.7%	13.5%	1.24	33.9%	20.1%	1.69
1986	15.7%	12.7%	1.24	31.8%	19.1%	1.66
1987	15.5%	12.5%	1.24	30.7%	17.4%	1.76
1988	14.7%	11.3%	1.30	32.3%	16.4%	1.97
1989	13.7%	10.4%	1.32	28.8%	14.1%	2.04
1990	14.9%	11.5%	1.30	26.8%	13.4%	2.00
1991	15.9%	12.9%	1.23	27.5%	13.8%	1.99
1992	16.6%	13.9%	1.19	26.9%	12.8%	2.10
1993	17.3%	14.0%	1.24	28.6%	14.9%	1.92
1994	17.3%	14.0%	1.24	25.5%	10.5%	2.43
1995	17.6%	15.0%	1.17	24.7%	11.0%	2.25
1996	18.5%	16.2%	1.14	25.3%	12.5%	2.02
1997	18.4%	15.5%	1.19	24.8%	11.9%	2.08
1998	16.6%	13.9%	1.19	24.1%	11.9%	2.03
1999	16.0%	14.0%	1.14	21.7%	9.6%	2.26
2000	15.1%	12.3%	1.23	21.5%	9.8%	2.19
2001	14.7%	12.5%	1.18	21.2%	11.1%	1.91

The gap in poverty rates between women and men who are under age 65 still exists, but it has narrowed over the years. The widest gap was back in 1980, when the poverty rate for

women under 65 was 15.1 percent and the rate for men was 11.2 percent. The difference in rates was 3.9 percentage points, and the women to men ratio of poverty rates was 1.35 or 35 percent higher for women. Most of the ratios in recent years have been relatively small. The smallest gaps were in 1996 and 1999, when the ratio was 1.14 or 14 percent higher for women.

The situation is much different for women and men 65 and older. The ratios between the poverty rates for women and men were as low as 1.50 in the early 1980s. The gap has grown in recent years, and the ratios have tended to be in the range of two to one. In 2001, the ratio was 1.91 or close to double the poverty rate for senior women.

For couples under 65, one fact that deserves special mention is the role of women's earnings in keeping their families out of poverty. To get a better idea of the financial contribution of women, the National Council of Welfare asked Statistics Canada to subtract the earnings of women from the total incomes of two-parent families and married couples without children, and to calculate hypothetical poverty statistics using the lowered family incomes. The calculations are hypothetical because we assumed that the families did not make any adjustments in their finances or work arrangements to try to make up the lost family income.

TABLE 8.2: POVERTY AMONG COUPLES UNDER 65 WITH AND WITHOUT THE EARNINGS OF WOMEN, 2001

	Number of Poor Families		Poverty Rate	
	With Women's Earnings	Without Women's Earnings	With Women's Earnings	Without Women's Earnings
Two-Parent Families Under 65 with Children Under 18	131,000	508,000	5.2%	20.2%
Two-Parent Families Under 65 with at Least One Child Under 6	67,000	215,000	6.6%	21.1%
Two-Parent Families Under 65 with All Children 6-17	64,000	293,000	4.2%	19.5%
Couples Under 65 Without Children	79,000	380,000	3.5%	16.7%

Table 8.2 shows four different kinds of families, the number of poor families with and without the earnings of women, and the poverty rates with and without the earnings of women. For example, the number of poor two-parent families with children under 18 would have nearly quadrupled from 131,000 to 508,000 without the earnings of women, and the

poverty rate would have jumped from 5.2 percent to 20.2 percent. All the other changes shown in the table are also quite dramatic.

All in all, losing the earnings of women would have added hundreds of thousands of families to the poverty rolls in 2001, and it would have transformed poverty rates that were tolerably low into rates that were unacceptably high.

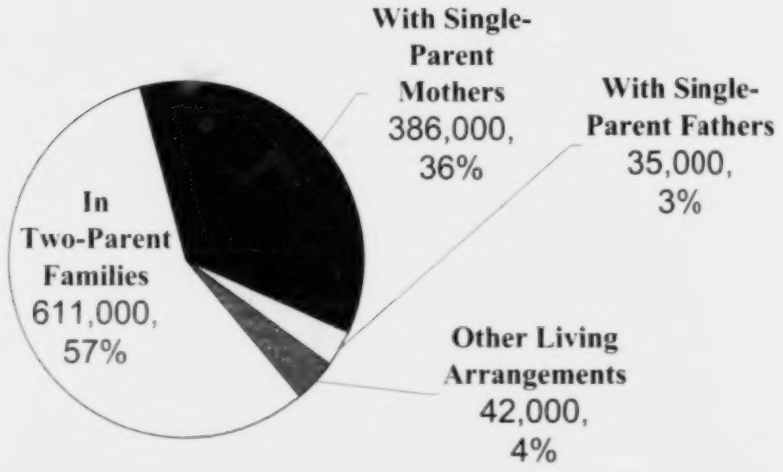
CHILDREN

Child poverty rates are a function of the poverty rates of their families and tend to rise and fall with the state of the economy. The most striking difference year after year is the difference between the poverty rate for children in two-parent families and the rate for children living with single-parent mothers. The poverty rate for single-parent mothers has typically been among the highest of any family type, although the rate has been coming down in recent years.

Children in two-parent families had a poverty rate of 10.8 percent in 2001, compared to 45.4 percent for children living with single-parent mothers and 20.6 percent for children living with single-parent fathers. Over the years, the poverty rate for children living with single-parent mothers has been roughly four to six times the poverty rate for children living in two-parent families. In 2001, the rate for children living with single-parent mothers was 4.2 times higher.

One of the myths about child poverty is that since single-parent families have high poverty rates, most poor children must live in single-parent families. That has never been the case for any of the years on record. The largest number of poor children has always been the number living in two-parent families. Figure 8.1 gives the distribution of poor children by family type in 2001.

Figure 8.1: Poor Children by Family Type, 2001



There were 611,000 poor children living in two-parent families, and they represented 57 percent of all poor children. The next largest group was the 386,000 poor children living with single-parent mothers or 36 percent of all poor children. There were 35,000 poor children living with single-parent fathers and 42,000 poor children in other, less common living arrangements.

There are also significant differences in child poverty from province to province and by family type from province to province. Table 8.3 gives the details for all poor children, poor children living in two-parent families and poor children living with single-parent mothers. The number of poor children living with single-parent fathers was too small to break down by province.

TABLE 8.3: CHILD POVERTY BY PROVINCE AND FAMILY TYPE, 2001

	All Poor Children		Poor Children in Two-Parent Families		Poor Children with Single-Parent Mothers	
	Number of Children	Poverty Rate	Number of Children	Poverty Rate	Number of Children	Poverty Rate
Newfoundland and Labrador	24,000	21.6%	16,000	17.2%	7,000	50.3%
Prince Edward Island	4,000	12.5%	2,000	9.1%	--	--
Nova Scotia	38,000	19.2%	21,000	12.8%	14,000	53.9%
New Brunswick	23,000	14.5%	11,000	8.3%	10,000	56.6%
Quebec	276,000	17.8%	152,000	12.4%	102,000	45.5%
Ontario	355,000	13.0%	202,000	9.0%	124,000	41.1%
Manitoba	58,000	22.5%	32,000	15.4%	23,000	61.5%
Saskatchewan	42,000	17.6%	20,000	10.6%	19,000	48.5%
Alberta	104,000	14.1%	73,000	11.3%	28,000	42.8%
British Columbia	146,000	17.0%	81,000	11.8%	57,000	48.0%
Canada	**1,071,000**	**15.6%**	**611,000**	**10.8%**	**386,000**	**45.4%**

-- Sample size too small

The overall child poverty rate in 2001 was 15.6 percent, and provincial child poverty rates ranged from 12.5 percent in Prince Edward Island to 22.5 percent in Manitoba. The national rate for children living in two-parent families was 10.8 percent, with a range from 8.3 percent in New Brunswick to 17.2 percent in Newfoundland and Labrador. Children living with single-parent mothers had a national poverty rate of 45.4 percent, from a low of 41.1 percent in Ontario to a high of 61.5 percent in Manitoba.

Between 2000 and 2001, most of the child poverty rates in most provinces were down slightly. The overall child poverty rate was up slightly in Nova Scotia, Manitoba and British Columbia. The rate for children in two-parent families was up in Nova Scotia and British Columbia and unchanged in Quebec. The rate for children living with single-parent mothers was up in Nova Scotia, New Brunswick and British Columbia.

Over the years, child poverty rates have normally been higher than the national average in Newfoundland and Labrador, Quebec and Manitoba and lower than average in Prince Edward Island and Ontario. Rates in the other five provinces have been mixed.

The highest ever rate since the current series of poverty statistics began in 1980 was 31.5 percent in Newfoundland and Labrador in 1983, and the lowest was 10.6 percent in British Columbia in 1980 - close, but not quite into single digits.

Figures 8.2 through 8.11 plot the poverty rates for all children by province from 1980 through 2001. The lines marking the provincial rates in each figure are accompanied by the actual rates year by year. The lines without numbers are the national rates.

Figure 8.2: Newfoundland and Labrador
Percent of Children in Poverty

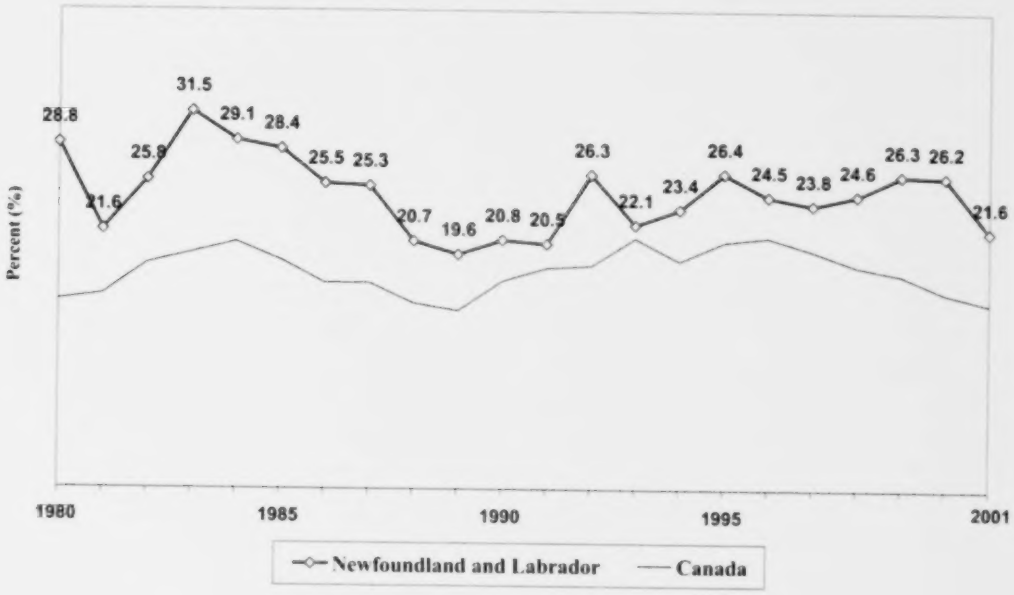


Figure 8.3: Prince Edward Island
Percent of Children in Poverty

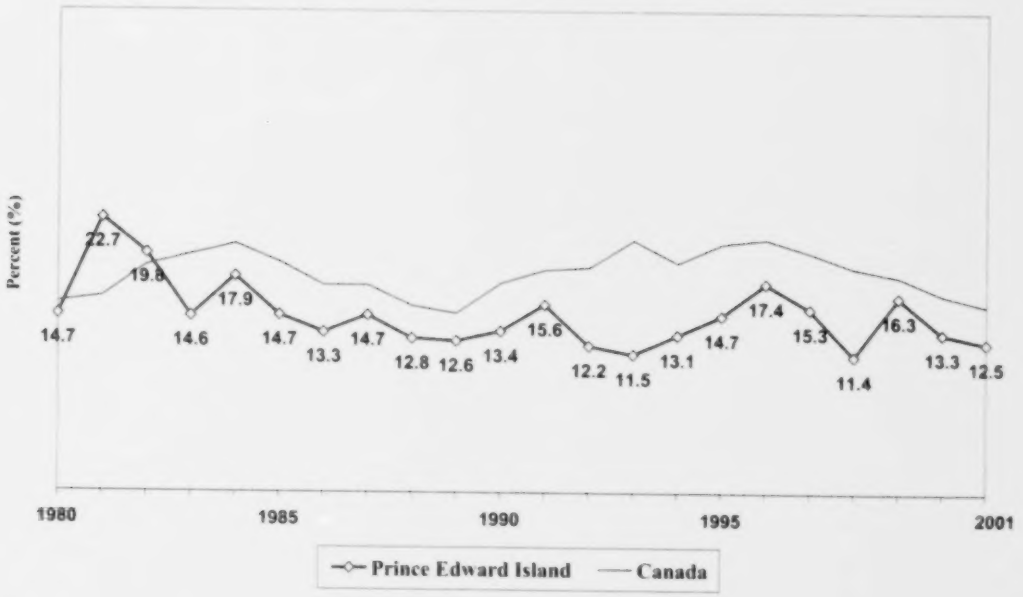


Figure 8.4: Nova Scotia
Percent of Children in Poverty

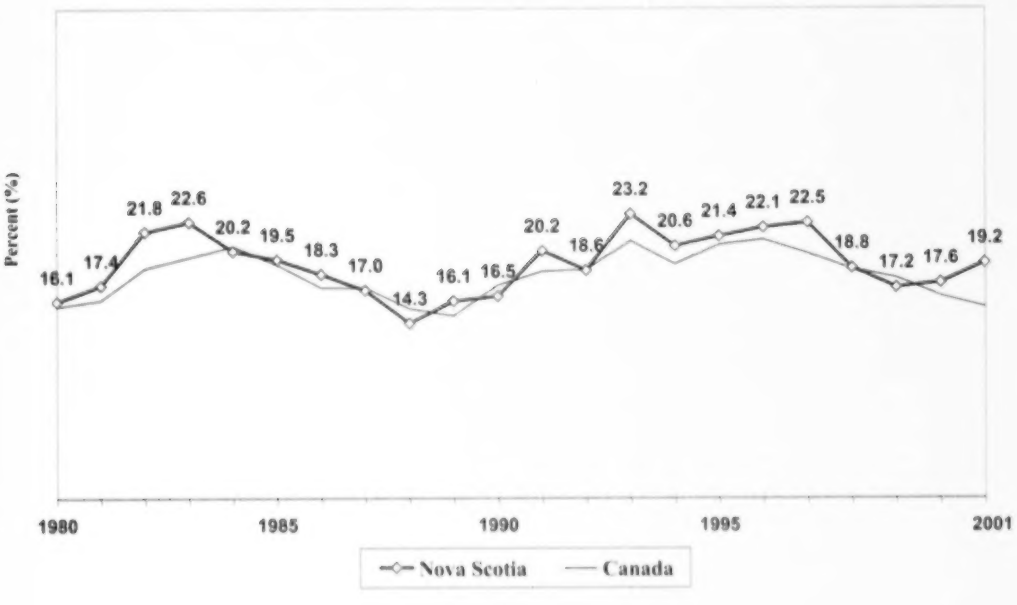


Figure 8.5: New Brunswick
Percent of Children in Poverty

Figure 8.6: Quebec
Percent of Children in Poverty

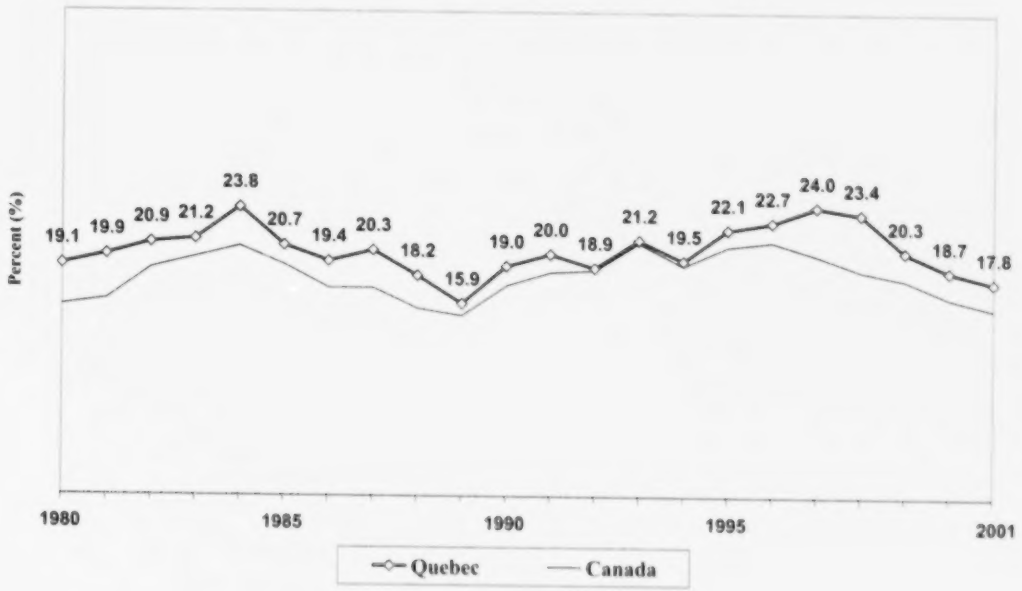


Figure 8.7: Ontario
Percent of Children in Poverty

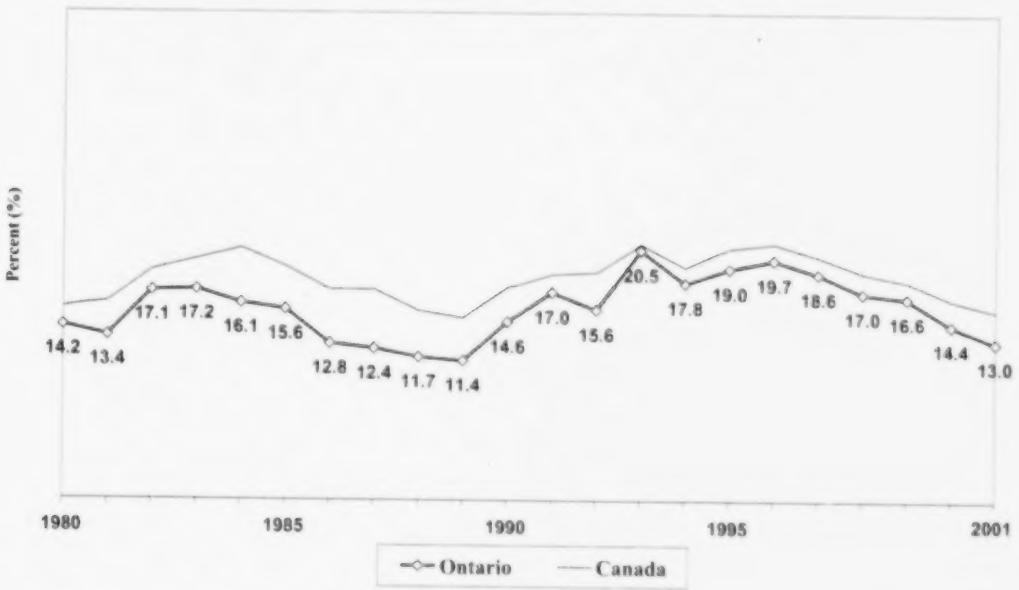


Figure 8.8: Manitoba
Percent of Children in Poverty

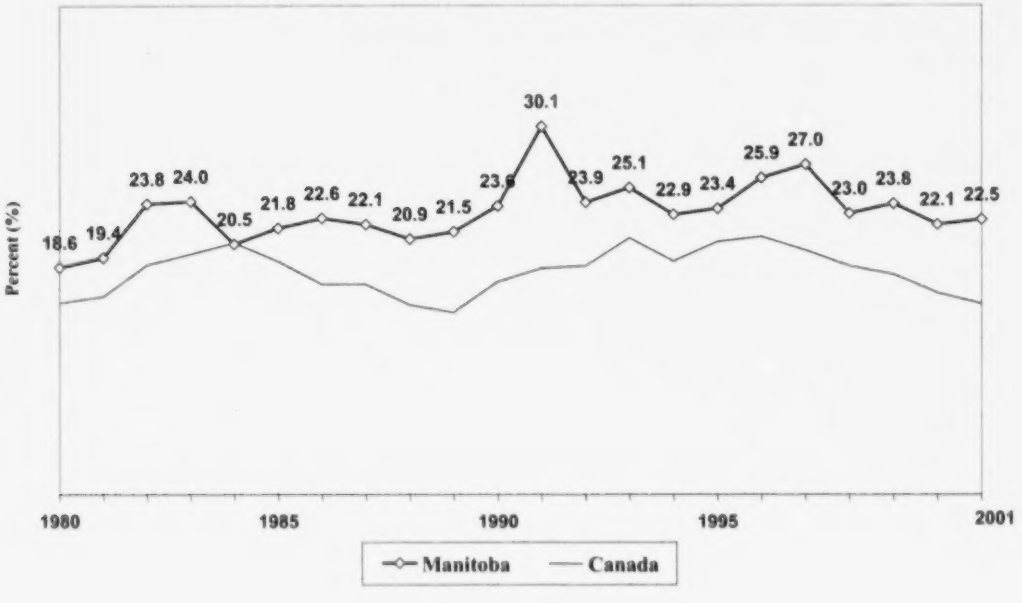


Figure 8.9: Saskatchewan
Percent of Children in Poverty

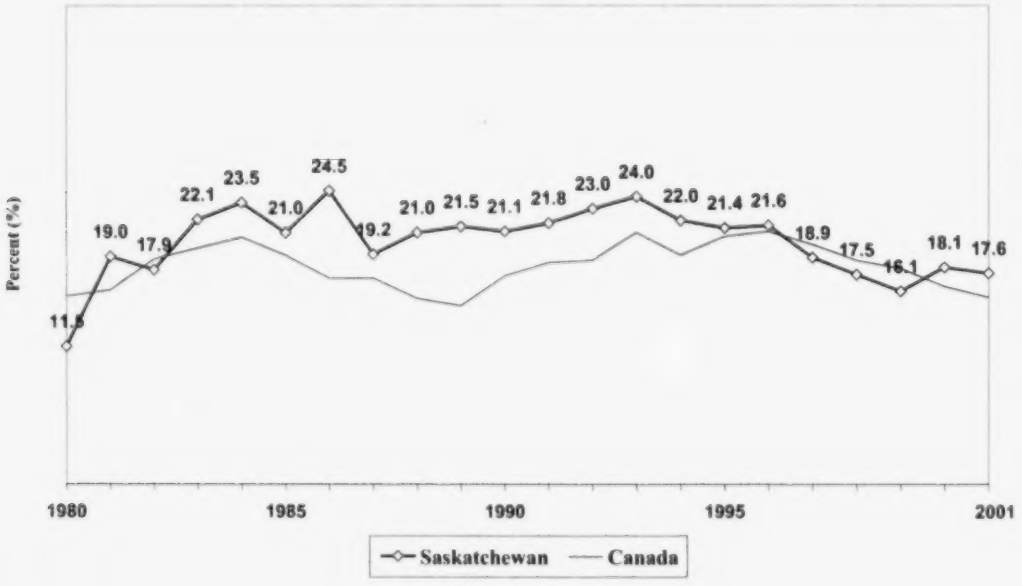


Figure 8.10: Alberta
Percent of Children in Poverty

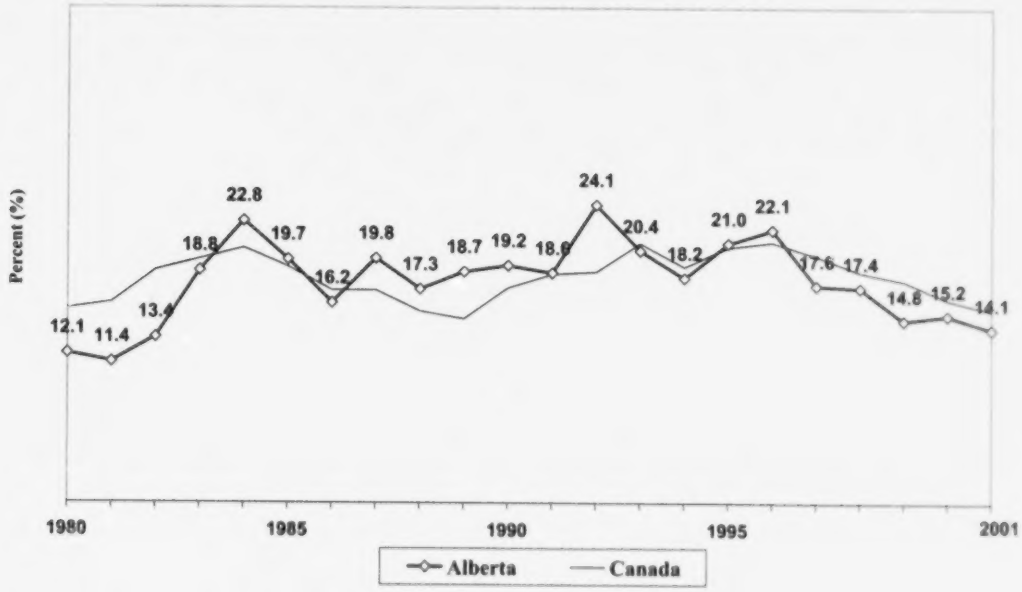
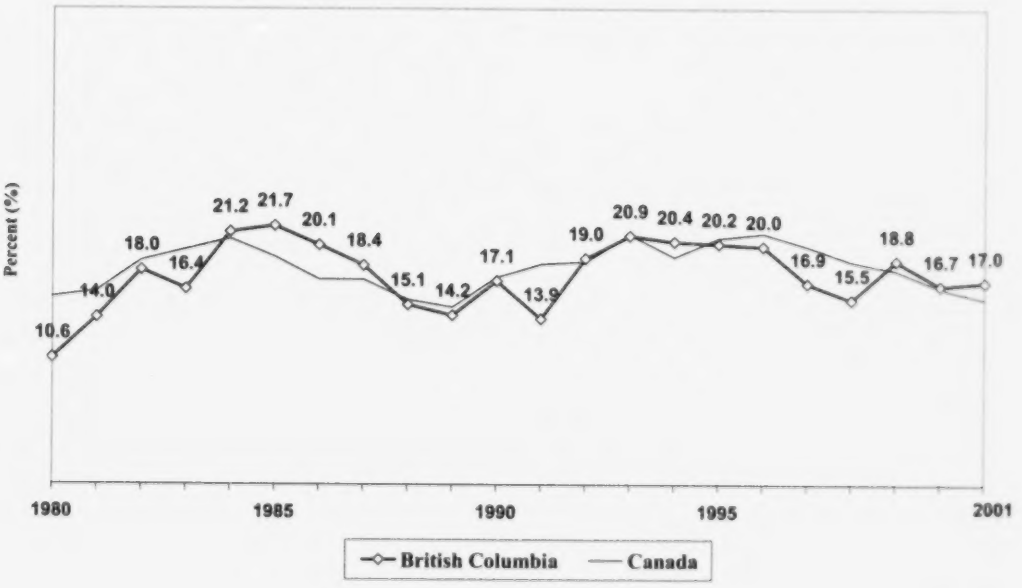


Figure 8.11: British Columbia
Percent of Children in Poverty



SENIORS

Poverty rates among seniors have improved greatly over the years, but substantial differences remain from province to province and between the sexes within provinces. Table 8.4 gives the 2001 provincial rates for all persons 65 and older and also for senior women and men.

Alberta had the lowest poverty rate for all seniors at 10.4 percent, and Quebec had the highest at 23 percent followed closely by Manitoba at 22.7 percent. Among women 65 and older, the range was from 13.6 percent in Alberta to 29.2 percent in Quebec. Among senior men, the lowest rate was 6.6 percent in Alberta and the highest 16.7 percent in Manitoba.

In all provinces, there was a notable difference between the rates for women and men. The smallest gap was seven percentage points in Alberta, and the largest was 14.6 percentage points in Quebec.

TABLE 8.4: POVERTY AMONG SENIORS BY PROVINCE, 2001

	All Poor Persons 65 and Older		Poor Women 65 and Older		Poor Men 65 and Older	
	Number	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate
Newfoundland and Labrador	10,000	17.0%	8,000	23.0%	3,000	9.6%
Prince Edward Island	3,000	16.7%	2,000	22.6%	--	--
Nova Scotia	18,000	14.8%	13,000	19.8%	4,000	8.1%
New Brunswick	14,000	15.5%	11,000	21.3%	3,000	7.7%
Quebec	207,000	23.0%	152,000	29.2%	56,000	14.6%
Ontario	192,000	13.5%	131,000	16.4%	61,000	9.8%
Manitoba	32,000	22.7%	22,000	27.2%	10,000	16.7%
Saskatchewan	18,000	13.6%	14,000	19.0%	4,000	6.8%
Alberta	30,000	10.4%	22,000	13.6%	9,000	6.6%
British Columbia	93,000	18.3%	65,000	23.2%	28,000	12.3%
Canada	**619,000**	**16.8%**	**440,000**	**21.2%**	**179,000**	**11.1%**

-- Sample size too small

Between 2000 and 2001, there was a mixture of increases and decreases in provincial poverty rates for seniors, but all the changes were small.

The long-term trends for both senior women and men have been sharply downward, although the size of the drops seemed to be leveling off in recent years in some provinces. The trends for each province appear in Figures 8.12 through 8.21 on the pages that follow. The breaks in some of the lines represent years where the sample sizes - particularly for senior men - were too small to produce reliable estimates.

During the 22 years from 1980 through 2001, the highest provincial poverty rate for senior women was 58.1 percent in Prince Edward Island in 1980, and the highest rate for senior men was 32.6 percent in Quebec in 1980. The lowest rates were 12.1 percent for senior women in Alberta in 1999 and 5.3 percent for senior men in Alberta in 2000.

Differences in poverty rates between the sexes are impossible to compare in years when there are missing values for senior men. Nonetheless, it was not uncommon in most provinces to see poverty rates for senior women twice as high as rates for senior men.

Figure 8.12: Newfoundland and Labrador Percent of Seniors in Poverty

Figure 8.13: Prince Edward Island Percent of Seniors in Poverty

Figure 8.14: Nova Scotia
Percent of Seniors in Poverty

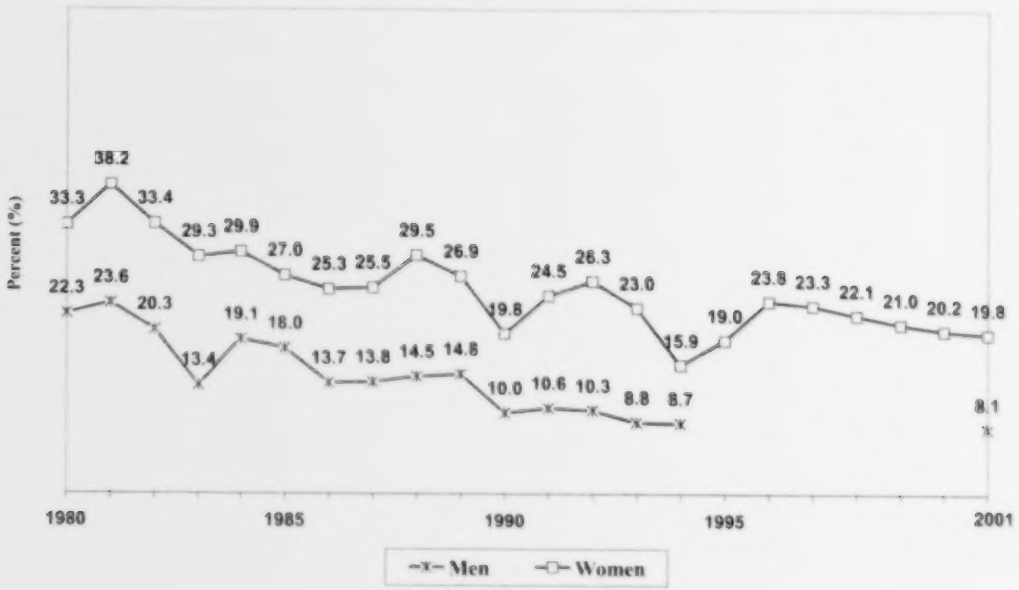


Figure 8.15: New Brunswick
Percent of Seniors in Poverty

Figure 8.16: Quebec
Percent of Seniors in Poverty

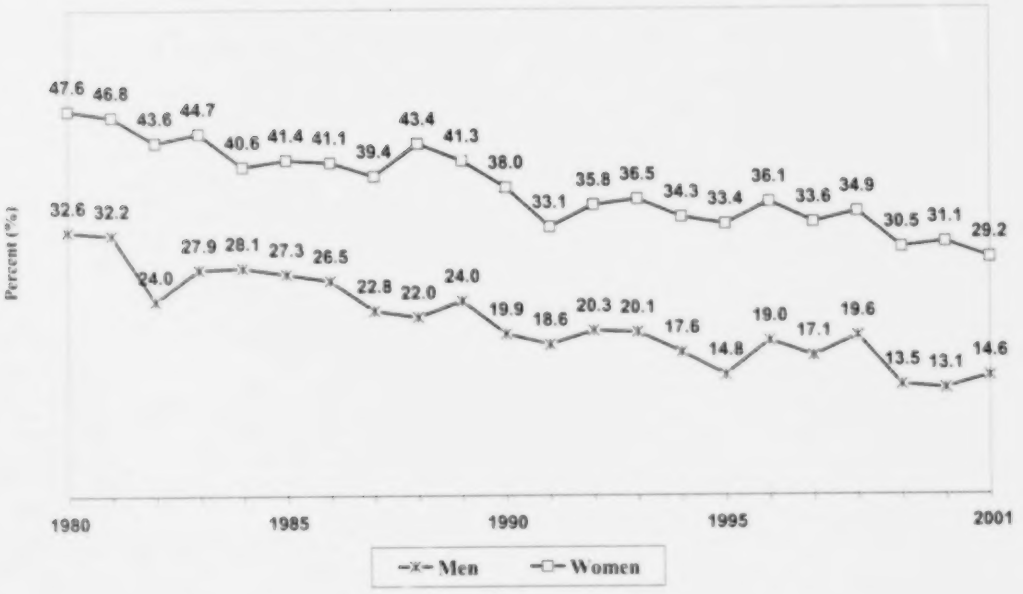


Figure 8.17: Ontario
Percent of Seniors in Poverty

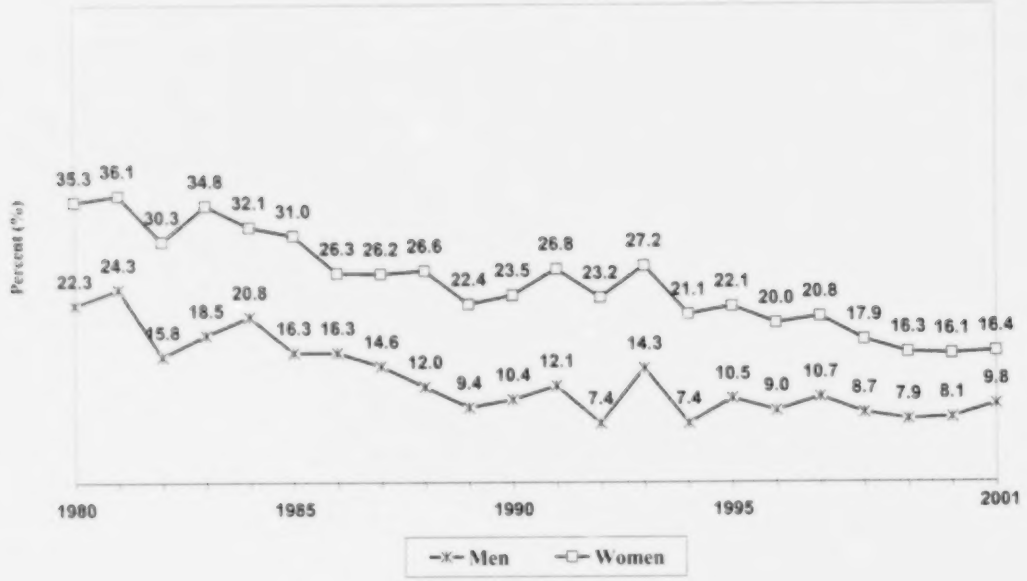


Figure 8.18: Manitoba
Percent of Seniors in Poverty

Figure 8.19: Saskatchewan
Percent of Seniors in Poverty

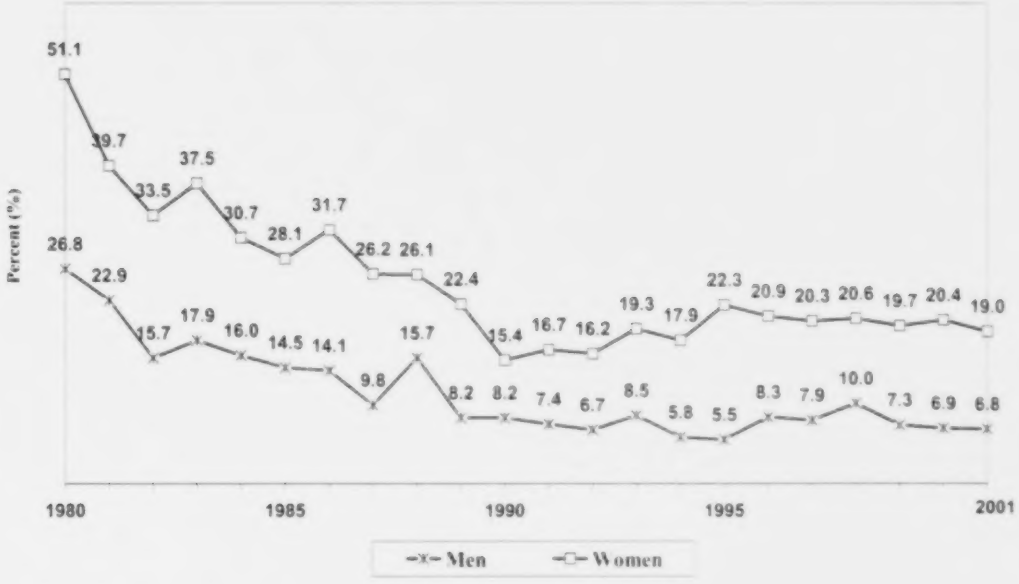


Figure 8.20: Alberta
Percent of Seniors in Poverty

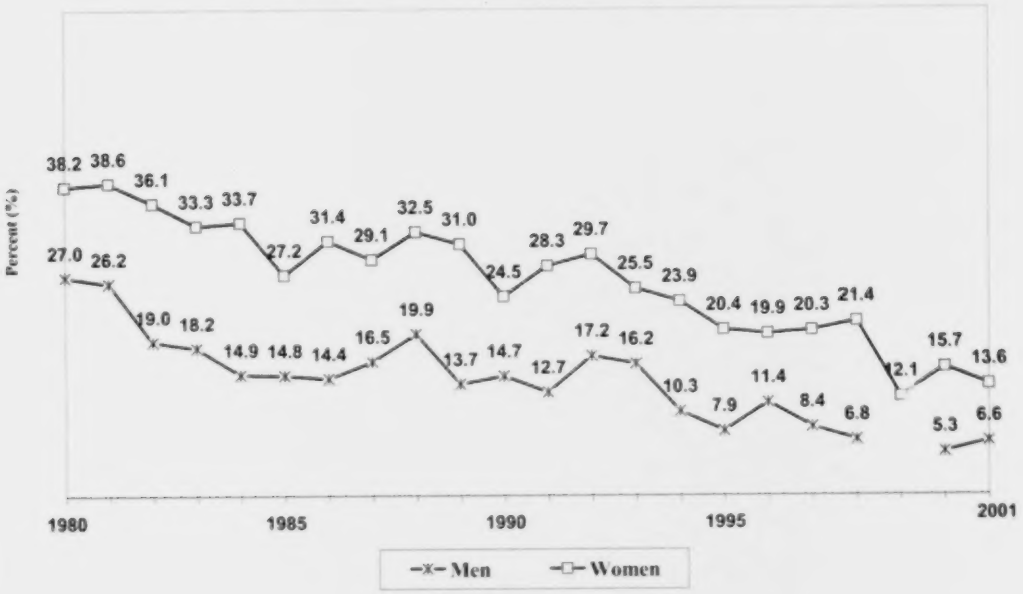


Figure 8.21: British Columbia
Percent of Seniors in Poverty

IX. POVERTY AND INEQUALITY

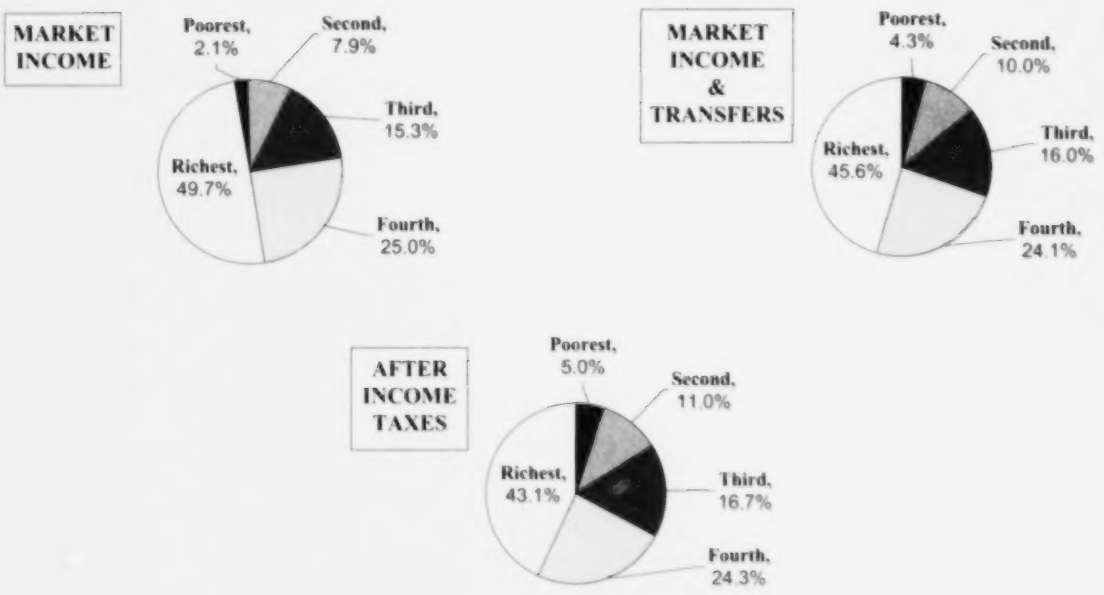
Many people wonder why poverty persists from year to year in a country as rich as Canada. The simple explanation is that the country's vast bounty is very poorly distributed. Literally millions of Canadians live on incomes that can best be described as meagre. At the same time, a relatively small portion of the population accounts for nearly half of all the country's personal income.

Statistics Canada publishes a small mountain of data every year showing the way income is distributed using three common measures: market income, total income (market income plus income from government transfer payments) and income after federal and provincial income taxes. All three measures show huge gaps between the very poor and the very rich.

Figure 9.1 shows the distribution of income in 2001 using these three measures. All the families and unattached individuals in Canada were ranked by income from bottom to top and then divided into five groups of equal size or quintiles. Each quintile represents roughly 2.5 million family units or 20 percent of all family units in Canada. In a mythical world where the distribution of income was absolutely equal, each 20 percent group would account for 20 percent of the income, and all the slices of the income pie would be exactly the same size.

The actual shares of income in Canada are anything but equal, as the pies in Figure 9.1 show. In all three pies, the poorest quintiles have a very small percentage of income, and the richest quintiles have the lion's share.

Figure 9.1: Income Shares by Quintile and Income Type, All Family Units, 2001



The first pie shows market income, or income from earnings, self-employment and other market sources such as savings and investments. The poorest 20 percent of family units had only 2.1 percent of all market income in 2001, while the richest 20 percent of family units had just under half of all market income.

The situation is much the same when the measure used is total income, or market income plus transfer payments. Low-income people get much more help from governments than high-income people, so the share of the lowest quintile is slightly larger and the share of the highest quintile is slightly smaller. The differences between the shares of market income and total income are less than dramatic, however.

Federal and provincial income taxes in Canada are progressive, so the effective tax rate on the rich is substantially higher than the effective tax rate on the poor. Even so, income taxes do relatively little to lessen the gap between rich and poor. The richest quintile still is left with 43.1 percent of all the income after income taxes, while the poorest quintile has only five percent of the income after income taxes.

Table 9.1 shows the distribution of income in dollars rather than percentages and sheds more light on the impact - and the limitations - of government transfer payments and income taxes. Statistics Canada drew the quintiles based on income after income taxes, and the income limits for each quintile appear in the left-hand column of the table.

One way to put the incomes into perspective is to compare them to Statistics Canada's low income cut-offs. In this particular instance, the after-tax cut-offs are a more appropriate benchmark than before-tax cut-offs.

In 2001, the cut-off for an unattached person living in a large metropolitan area in 2001 was $15,559, the cut-off for a family of two was $18,986, and the cut-off for a family of four was $29,908. The vast majority of the people in the lowest quintile and most of the people in the second lowest quintile in 2001 were poor using these measures.

TABLE 9.1: COMPONENTS OF INCOME, 2001						
Quintile		Average Market Income	Average Transfer Payments	Average Total Income	Average Income Taxes	Average Income After Tax
	Limits					
Poorest	Under $19,232	$5,353	$6,900	$12,253	$578	$11,675
Second	$19,232-32,241	$20,053	$8,611	$28,665	$2,819	$25,845
Third	$32,241-47,315	$39,037	$6,983	$46,020	$6,648	$39,372
Fourth	$47,315-68,991	$63,673	$5,453	$69,126	$11,940	$57,187
Richest	More than $68,991	$126,812	$4,066	$130,879	$29,250	$101,628
Richest to Poorest		24:1		11:1		9:1

The poorest quintile had an average market income of $5,353 and average transfer payments of $6,900 for an average total income of $12,253 in 2001. Many of the people in this quintile relied heavily on government income support programs such as welfare and the National Child Benefit in the case of younger adults and Old Age Security and the Guaranteed Income Supplement in the case of seniors. Because total incomes were so low and many government transfers are not taxable, the average income tax was only $578. That produced an average after-tax income of $11,675.

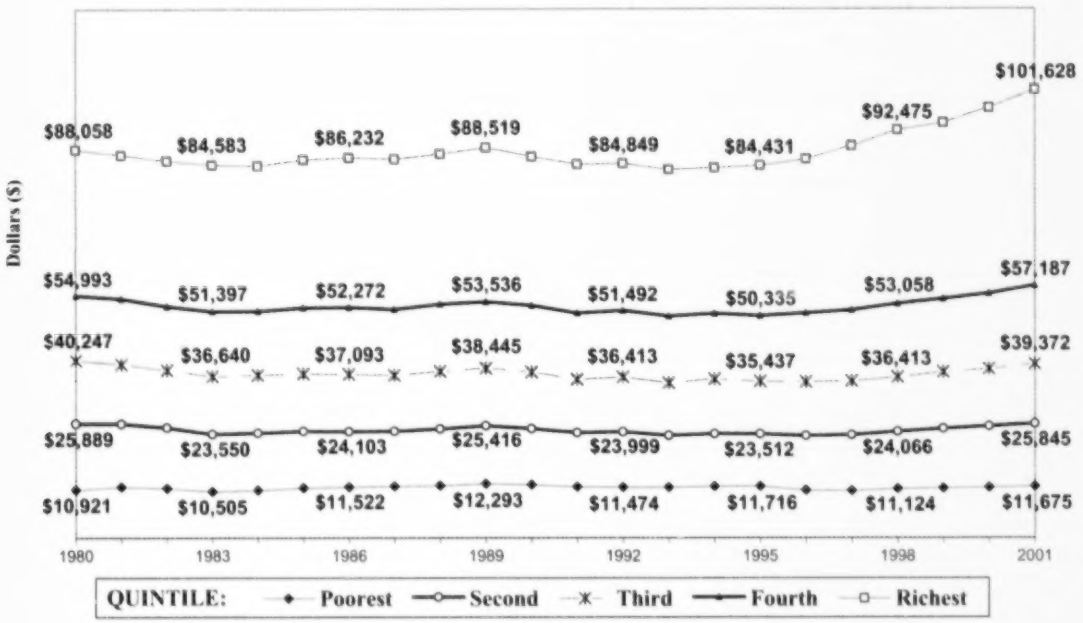
The richest quintile had an average market income of $126,812 and average transfer payments of $4,066 for an average total income of $130,879. The average transfer seems high at first glance, but it included sizeable payments from the Canada and Quebec Pension Plans in the case of seniors. For people at the low end of the richest quintile, it probably also included some money from Old Age Security and the National Child Benefit, but probably not the maximum amounts possible from either program. The richest quintile paid an average of $29,250 in federal and provincial income taxes, and that reduced their average after-tax income to $101,628. Although the tax burden was by far the highest of any quintile, it worked out to only about 22 percent of total income - much lower than the combined upper-bracket rates as shown on federal and provincial income tax forms each year.

The bottom line of the table shows the ratio between the richest and poorest quintiles for the three different kinds of income. For market income, the ratio was approximately 24 to 1. For total income, the ratio dropped to 11 to 1. The ratio for income after income taxes dropped a bit more to 9 to 1.

Over the years, the changes in any of these ratios or in any of the income shares shown earlier in the pies for market income, total income and income after taxes have been very small. Figure 9.2, for example, shows average incomes after income taxes by quintile for the

years starting in 1980 and ending in 2001. All the incomes were converted to 2001 constant dollars to factor out the effects of inflation.

Figure 9.2: Average Income After Income Taxes, by Quintile, in Constant 2001 Dollars, 1980-2001



There were some small variations from year to year, but the changes within the four lower quintiles were almost too small to mention. In general, incomes tended to slump because of the recession of 1981-1982 and the recession of 1990-1991 and tended to grow in years of good economic growth.

The one notable change in Figure 9.2 was the increase in average incomes in the richest quintile for the years beginning in 1996. It is a bit early to describe this upward swing as a long-term trend - in other words, whether the richest Canadians will find themselves noticeably richer in future years while the incomes of other Canadians stay relatively flat.

A closer look at the income statistics for 1980 and 2001 suggests that the market is doing a very poor job in providing incomes for the poor and a very good job in providing incomes for the rich. Some of the shortcomings of the market were made up by government transfer payments, but the rich have still gained the most over the years. And even with significant long-term increases in income taxes prior to the cuts in 2001, the rich were still far ahead of other Canadians in terms of their after-tax incomes.

Table 9.2 gives the details by quintile for market income, total income and after-tax income for 1980 and 2001 and the changes from one year to the other. Both years were relatively strong years for the Canadian economy, and 2001 was the tenth consecutive year of economic growth following the last recession. The figures in the table are in constant 2001 dollars to discount inflation between 1980 and 2001.

TABLE 9.2: CHANGES IN AVERAGE INCOMES BY QUINTILE IN CONSTANT 2001 DOLLARS, 1980-2001

Quintile	1980	2001	Change in Dollars	Change in %
MARKET INCOME				
Poorest	$5,324	$5,353	$29	0.5%
Second	$22,486	$20,053	-$2,433	-10.8%
Third	$42,447	$39,037	-$3,410	-8.0%
Fourth	$62,047	$63,673	$1,626	2.6%
Richest	$104,977	$126,812	$21,835	20.8%
TOTAL INCOME				
Poorest	$11,233	$12,253	$1,020	9.1%
Second	$28,485	$28,665	$180	0.6%
Third	$46,668	$46,020	-$648	-1.4%
Fourth	$65,425	$69,126	$3,701	5.7%
Richest	$107,982	$130,879	$22,897	21.2%
INCOME AFTER INCOME TAXES				
Poorest	$10,921	$11,675	$754	6.9%
Second	$25,889	$25,845	-$44	-0.2%
Third	$40,247	$39,372	-$875	-2.2%
Fourth	$54,993	$57,187	$2,194	4.0%
Richest	$88,058	$101,628	$13,570	15.4%

Whether the measure used was market income, total income or income after income taxes, the changes for the lowest three quintiles - representing 60 percent of all family units in Canada - were unimpressive at best.

Only the family units in the richest quintile did well by all three measures. Their average market income was up $21,835 or 20.8 percent, their average total income was up $22,897 or 21.2 percent, and their average income after income taxes was up $13,570 or 15.4 percent.

The period between 1980 and 2001 covered both good times and bad in terms of the economy, and it saw federal governments of different political stripes and governments from left of centre to significantly right of centre. At times along the way, there were significant changes in government programs and tax policy.

In the end, however, neither political nor economic nor social policy changes seemed to have any dramatic effects on income inequality. The statistics show no great strides forward over the past two decades for the poorest of Canadians and no dramatic changes in the overall distribution of income.

CONCLUSION: NOWHERE TO TURN

The poverty statistics for 2001 were mostly good news, but the National Council of Welfare continues to be frustrated with the slow rate of progress. Even after ten consecutive years of economic growth in Canada, poverty rates for many groups of people in 2001 were still not back down to the lows set in 1989 before the last recession. Depth of poverty has changed little over the years, and many poor people still live many thousands of dollars a year below the poverty line. Poverty has also proved to be far too persistent, with nearly 1.4 million persons who were poor every single year from 1996 through 2001. Why is it that in an era of economic prosperity and federal government surpluses, a substantial number of Canadians are still struggling?

In the opinion of the National Council of Welfare, these statistics and the other statistics in *Poverty Profile 2001* clearly indicate that current measures cannot deal with the sheer size of the problem. Canadians need coordinated, comprehensive, long-term public policy, both with respect to government programs and also with respect to the workings of the private sector. The sad truth is that neither government nor the market has been a friend to poor people for many, many years.

Government programs, with the exception of programs for seniors, have been gutted by cascading budget cuts by successive federal and provincial governments. Basic income supports, notably the federal Employment Insurance program and provincial welfare programs, now provide only minimal support to poor people.

The market has also been uncaring from the perspective of poor people. A significant portion of the poor under age 65 are active participants in the paid labour force, but they still cannot make ends meet. Too many employers pay their workers the lowest wages allowed by law, offer little steady work from week to week and provide little job security over the longer haul. Meanwhile, too many governments are loathe to interfere in the market by legislating higher labour standards and higher minimum wages. And in the middle of this are people working at full-time full-year minimum wage jobs that leave them and their families in poverty.

All this means the poor are left with nowhere to turn. Their two main alternatives are government and the market, and neither has responded well.

It is possible for governments to make a difference for low-income people. More than a generation ago, the federal and provincial governments embarked on an ambitious, generous, coherent and enduring series of measures to combat poverty among the elderly. The public programs set up back in the 1950s and 1960s continue to provide significant amounts of income to seniors. The battle against poverty for those over 65 has not yet been won, but many millions of seniors are much better off than ever before. The promised increase in the Guaranteed Income Supplement by the current government will help us move a bit closer to the goal of eliminating poverty among seniors.

The time is long overdue for governments to come to the aid of Canadians under 65. The one feeble attempt of recent years - eliminating child poverty by the year 2000 - quickly got shunted aside. It needs to be revived and taken seriously. Giving all children the best possible start in life will benefit all of us. The Council has repeatedly called for an integrated and coherent family policy in Canada that includes affordable, accessible child care and development. Hopefully, the proposed National Early Learning and Child Care Program will be a positive step in that direction. As well, governments need to take a fresh and serious look at new ways of fighting poverty among other groups of Canadians.

Whatever unfolds in government circles or business circles, one reality is clear: tinkering with the status quo is never going to make a significant dent in poverty. Until both the public and private sectors recognize this and make a concerted effort to deal with poverty, it will continue to be a serious problem in Canada that affects the quality of life of all Canadians.

APPENDIX A. METHODOLOGY AND DEFINITIONS

The poverty statistics in this report were compiled by Statistics Canada from data collected during the agency's annual household surveys on the incomes of Canadians. Some of the data was obtained through custom data tabulations ordered and paid for by the National Council of Welfare. Some of the data, particularly the historical data, can also be found in the electronic and CD-ROM versions of Statistics Canada's *Income Trends in Canada 1980-2001* (Catalogue no. 13F0022XCB).[1]

We are grateful for the assistance provided by officials of Statistics Canada, especially Renée Béland, Yvette Cabana, Sangita Dubey, Paul Stephenson and Adam Wronski of Income Statistics Division. The analysis and interpretation of the data, however, is the responsibility of the National Council of Welfare.

The early statistics in this report for 1980 to 1995 came from the former Survey of Consumer Finances (SCF). The statistics for 1996 to 2001 are from the Survey of Labour and Income Dynamics (SLID). SLID, like SCF, yields data on income every year, but it has the added advantage of following the same group of people for six years to see how their circumstances change over time.

The SLID survey for 2001 was conducted in January and May of 2002 and sampled roughly 30,000 private households from all parts of the country except for Yukon, the Northwest Territories, Nunavut, Indian reserves, and institutions such as prisons, mental hospitals, and homes for the elderly. The survey looked at incomes for the 2001 calendar year.

For the release of the data for 2000, Statistics Canada carried out a historical weight revision on data back to 1980. As noted in the introduction, this means that many of the figures in this report differ slightly from figures published in previous editions of Poverty Profile. The overall patterns and trends have not changed despite these small changes in poverty rates and numbers.

In some tables and charts, the components may add up to a thousand more or a thousand less than the displayed total. This is because Statistics Canada derives all its estimates from unrounded components and then rounds them to the nearest thousand. The totals are not calculated by adding up the rounded components.

Poverty in this report is measured by comparing the incomes of families or unattached individuals with Statistics Canada's low income cut-offs. Users of poverty statistics often refer to the cut-offs as the before-tax LICOs, because they measure gross income or income

[1] Readers may notice that the total number of poor two-parent families or poor children in Figures 3.5, 4.7, 6.1 and 8.1 and Table 6.4 differ slightly from those released by Statistics Canada. This is due to a revision that Statistics Canada made to their data after the National Council of Welfare received the custom tabulations used in Poverty Profile 2001. The differences are small and do not significantly affect the analysis and interpretation of the data.

after government transfer payments, but before any deductions for income taxes or other kinds of taxes.

Statistics Canada also produces low income cut-offs that measure incomes after the payment of federal and provincial income taxes, but not other kinds of taxes. These are often called the after-tax LICOs.

The before-tax LICOs represent levels of gross income where people spend disproportionately large amounts for food, shelter and clothing. Statistics Canada has decided over the years - somewhat arbitrarily - that 20 percentage points is a reasonable measure of the additional burden. The average Canadian family spent 34.7 percent of gross income on food, shelter and clothing according to 1992 data on spending patterns, so it was assumed that low-income Canadians spent 54.7 percent or more on the necessities of life.

The low income cut-offs vary by the size of the family unit and the population of the area of residence. There are seven categories of family size, from one person to seven or more persons, and five community sizes ranging from rural areas to cities with 500,000 or more residents. The result is a set of 35 cut-offs. The cut-offs are updated annually by Statistics Canada using the Consumer Price Index. The LICOs for 2001 are shown in Table A.1.

TABLE A.1: BEFORE-TAX LICOs FOR 2001

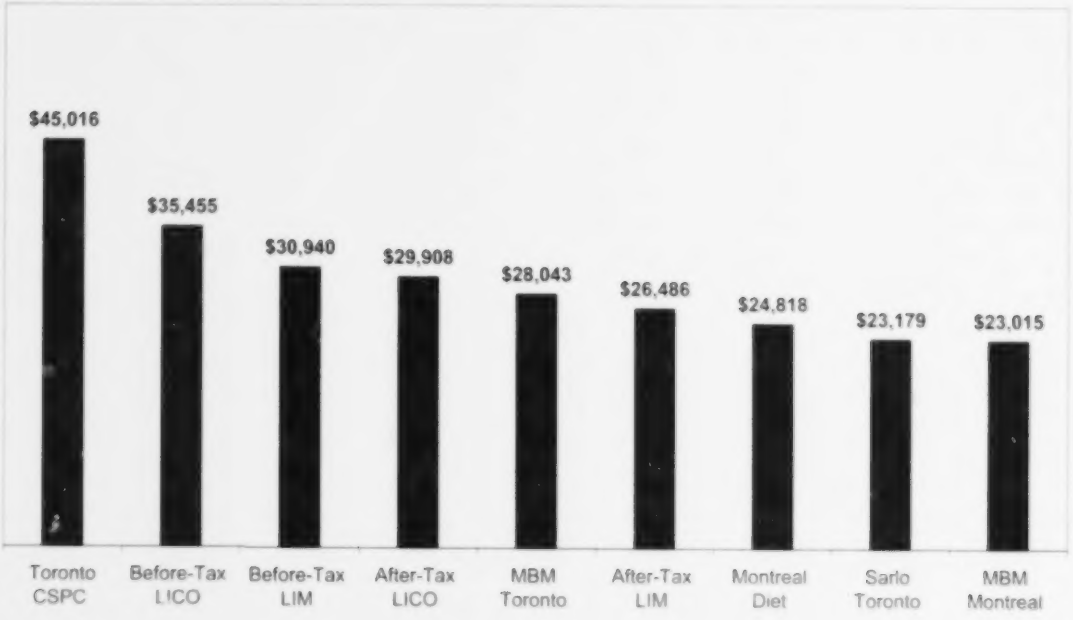
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$13,021	$14,933	$16,048	$16,160	$18,841
2 Persons	$16,275	$18,666	$20,060	$20,200	$23,551
3 Persons	$20,242	$23,214	$24,948	$25,123	$29,290
4 Persons	$24,502	$28,101	$30,200	$30,411	$35,455
5 Persons	$27,390	$31,412	$33,758	$33,995	$39,633
6 Persons	$30,278	$34,722	$37,317	$37,579	$43,811
7 or More Persons	$33,166	$38,033	$40,875	$41,163	$47,988

The National Council of Welfare and many other social policy and anti-poverty groups regard the LICOs as poverty lines and use the terms poor and low-income interchangeably. Statistics Canada takes pains to avoid references to poverty. It says the cut-offs have no official status, and it does not promote their use as poverty lines.

Regardless of the terminology, the cut-offs are a useful tool for defining and analyzing the significantly large portion of the population with low incomes. They are not the only measures of poverty used in Canada, but they are widely accepted. In the absence of any broad consensus to the contrary, they will no doubt be used for many years to come.

Figure A.1 shows nine different measures of poverty: the before-tax and after-tax versions of the low-income cut-offs of Statistics Canada and seven other lines sometimes seen in other published reports on poverty.

Figure A.1: Poverty Lines for a Family of Four in a Large City, 2001



The first bar in Figure A.2, Toronto CSPC, refers to the budget guides of the Community Social Planning Council of Toronto. The original calculation was updated to 2001 by the National Council of Welfare using the Consumer Price Index.

The second and fourth bars represent two different versions of the low income cut-offs of Statistics Canada. Both LICOs vary with family size and population of area of residence. The before-tax LICO is based on total income including government transfers, but before the deduction of federal and provincial income taxes. The after-tax LICO is based on after-tax income, that is, total income including government transfers less federal and provincial or territorial income taxes. As noted previously, the after-tax LICO is not adjusted for other

taxes that affect disposable income such as payroll taxes, sales taxes, property taxes and the like.

The third and sixth bars, before-tax LIM and after-tax LIM refer to the low income measures of Statistics Canada, measures which are based on one-half of median family income either before or after income taxes. LIMs vary with family size and composition, but they are the same in all parts of the country, from rural areas to big cities.

One-half of median family income adjusted for family size is the approach most often used in international comparisons of poverty. LIMs and similar measures provide interesting comparisons in any given year, but they tend to be "flat" over time and do not track well against the ups and downs of the economic cycle.

MBM Toronto and MBM Montreal stand for the market basket measures developed by Human Resources Development Canada for the federal and provincial governments. The National Council of Welfare updated the 2000 MBM figures for Toronto and Montreal to 2001 using the Consumer Price Index.

MBMs are based on the cost of buying a basket of goods and services in the local marketplace. However, the MBM methodology also involves a number of adjustments to family income, including deductions for child care costs, child support payments, payroll taxes and contributions, certain out-of-pocket expenses for health care and the cost of prescribed aids for persons with disabilities. The end result is income that approximates disposable income, rather than the simple definitions of total income or income after income taxes that are used in many other poverty measures.

Montreal Diet refers to the income needed for a minimum adequate standard of living for a two-earner couple with a 15-year-old son and a ten-year-old daughter in Montreal as calculated by the Montreal Diet Dispensary and updated by the National Council of Welfare. The group also has basic needs guidelines strictly intended for short-term assistance that are somewhat lower.

Sarlo Toronto is the poverty line for Toronto calculated by Christopher A. Sarlo and updated to 2001 by the National Council of Welfare. Professor Sarlo also has "social comfort lines" that are twice as high as his poverty lines.

While the Council uses before-tax LICOs in this report, as a service to readers, it is including both the before-tax and after-tax versions of the LICOs for 2001, 2002, 2003 and estimates for 2004 in Appendix B, and it is offering a limited selection of after-tax poverty statistics in Appendix C.

Additional information on after-tax poverty statistics is available from Statistics Canada in its publication Income in Canada 2001 (Catalogue no. 75-202). Both before-tax and after-tax statistics can be found in Income Trends in Canada, 1980-2001 (Catalogue no. 13F0022XC).

APPENDIX B. LOW INCOME CUT-OFFS

TABLE B.1: STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2001

	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$13, 021	$14,933	$16,048	$16,160	$18,841
2 Persons	$16,275	$18,666	$20,060	$20,200	$23,551
3 Persons	$20,242	$23,214	$24,948	$25,123	$29,290
4 Persons	$24,502	$28,101	$30,200	$30,411	$35,455
5 Persons	$27,390	$31,412	$33,758	$33,995	$39,633
6 Persons	$30,278	$34,722	$37,317	$37,579	$43,811
7 or More Persons	$33,166	$38,033	$40,875	$41,163	$47,988

TABLE B.2: STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2002

	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$13,311	$15,267	$16,407	$16,521	$19,261
2 Persons	$16,639	$19,083	$20,508	$20,651	$24,077
3 Persons	$20,694	$23,732	$25,505	$25,684	$29,944
4 Persons	$25,050	$28,729	$30,875	$31,090	$36,247
5 Persons	$28,002	$32,113	$34,512	$34,754	$40,518
6 Persons	$30,954	$35,498	$38,150	$38,418	$44,789
7 or More Persons	$33,907	$38,882	$41,788	$42,082	$49,060

TABLE B.3: STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2003					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$13,680	$15,690	$16,862	$16,979	$19,795
2 Persons	$17,100	$19,612	$21,077	$21,224	$24,745
3 Persons	$21,268	$24,390	$26,213	$26,396	$30,774
4 Persons	$25,744	$29,526	$31,731	$31,952	$37,253
5 Persons	$28,778	$33,004	$35,469	$35,718	$41,642
6 Persons	$31,813	$36,482	$39,208	$39,483	$46,031
7 or More Persons	$34,847	$39,960	$42,947	$43,249	$50,421

TABLE B.4: NATIONAL COUNCIL OF WELFARE'S ESTIMATES OF STATISTICS CANADA'S BEFORE-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2004*					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$13,892	$15,932	$17,122	$17,241	$20,101
2 Persons	$17,364	$19,915	$21,402	$21,551	$25,127
3 Persons	$21,596	$24,767	$26,617	$26,803	$31,249
4 Persons	$26,141	$29,981	$32,220	$32,445	$37,828
5 Persons	$29,223	$33,513	$36,017	$36,269	$42,285
6 Persons	$32,304	$37,045	$39,813	$40,093	$46,742
7 or More Persons	$35,385	$40,577	$43,610	$43,916	$51,199

*Based on an estimated inflation rate of 1.5 percent in 2004.

TABLE B.5: STATISTICS CANADA'S AFTER-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2001					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$10,201	$11,791	$12,904	$13,107	$15,559
2 Persons	$12,448	$14,388	$15,745	$15,992	$18,986
3 Persons	$15,744	$18,198	$19,915	$20,227	$24,013
4 Persons	$19,609	$22,665	$24,804	$25,192	$29,908
5 Persons	$21,917	$25,332	$27,722	$28,157	$33,428
6 Persons	$24,225	$27,999	$30,640	$31,122	$36,948
7 or More Persons	$26,533	$30,666	$33,558	$34,087	$40,468

TABLE B.6: STATISTICS CANADA'S AFTER-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2002					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$10,429	$12,055	$13,192	$13,399	$15,907
2 Persons	$12,726	$14,710	$16,097	$16,349	$19,410
3 Persons	$16,096	$18,604	$20,360	$20,679	$24,550
4 Persons	$20,047	$23,172	$25,358	$25,755	$30,576
5 Persons	$22,407	$25,898	$28,341	$28,786	$34,174
6 Persons	$24,766	$28,624	$31,324	$31,817	$37,773
7 or More Persons	$27,126	$31,351	$34,308	$34,848	$41,372

TABLE B.7: STATISTICS CANADA'S AFTER-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2003					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$10,718	$12,389	$13,558	$13,771	$16,348
2 Persons	$13,079	$15,118	$16,544	$16,803	$19,948
3 Persons	$16,542	$19,120	$20,924	$21,252	$25,230
4 Persons	$20,603	$23,814	$26,061	$26,469	$31,424
5 Persons	$23,028	$26,616	$29,127	$29,584	$35,122
6 Persons	$25,453	$29,418	$32,193	$32,699	$38,820
7 or More Persons	$27,878	$32,220	$35,259	$35,814	$42,519

TABLE B.8: NATIONAL COUNCIL OF WELFARE'S ESTIMATES OF STATISTICS CANADA'S AFTER-TAX LOW INCOME CUTOFFS (1992 BASE) FOR 2004*					
	Community Size				
Size of Family Unit	Rural Areas	Less than 30,000	30,000 to 99,999	100,000 to 499,999	500,000 and Over
1 Person	$10,884	$12,580	$13,767	$13,984	$16,600
2 Persons	$13,281	$15,351	$16,799	$17,062	$20,256
3 Persons	$16,798	$19,415	$21,247	$21,580	$25,620
4 Persons	$20,921	$24,182	$26,463	$26,878	$31,909
5 Persons	$23,383	$27,027	$29,576	$30,041	$35,664
6 Persons	$25,846	$29,872	$32,690	$33,204	$39,420
7 or More Persons	$28,309	$32,717	$35,803	$36,367	$43,175

*Based on an estimated inflation rate of 1.5 percent in 2004.

APPENDIX C. SELECTED POVERTY STATISTICS USING STATISTICS CANADA'S AFTER-TAX LICOS

TABLE C.1: POVERTY TRENDS, ALL PERSONS, 1980-2001 USING AFTER-TAX LICOS

	Poverty Rate	Number of Poor Persons
1980	11.5%	2,781,000
1981	11.5%	2,803,000
1982	12.3%	3,035,000
1983	13.9%	3,450,000
1984	13.6%	3,416,000
1985	12.8%	3,253,000
1986	11.9%	3,040,000
1987	11.8%	3,053,000
1988	10.7%	2,819,000
1989	10.0%	2,675,000
1990	10.9%	2,937,000
1991	12.1%	3,305,000
1992	12.0%	3,339,000
1993	12.9%	3,639,000
1994	12.3%	3,510,000
1995	13.1%	3,765,000
1996	14.0%	4,076,000
1997	13.5%	3,975,000
1998	11.9%	3,518,000
1999	11.7%	3,497,000
2000	10.9%	3,294,000
2001	10.4%	3,163,000

TABLE C.2: POVERTY TRENDS, CHILDREN UNDER 18, 1980-2001 USING AFTER-TAX LICOS		
	Poverty Rate	Number of Poor Children Under 18
1980	12.0%	815,000
1981	12.3%	827,000
1982	14.0%	928,000
1983	15.5%	1,020,000
1984	15.8%	1,029,000
1985	15.5%	1,006,000
1986	13.4%	875,000
1987	13.6%	888,000
1988	12.0%	791,000
1989	11.5%	765,000
1990	13.0%	870,000
1991	14.2%	963,000
1992	14.0%	958,000
1993	15.7%	1,083,000
1994	14.7%	1,024,000
1995	16.3%	1,138,000
1996	16.7%	1,175,000
1997	16.0%	1,122,000
1998	13.6%	951,000
1999	13.5%	940,000
2000	12.5%	868,000
2001	11.4%	786,000

TABLE C.3: POVERTY TRENDS, PEOPLE 65 AND OLDER, 1980-2001 USING AFTER-TAX LICOS		
	Poverty Rate	Number of Poor People 65 and Older
1980	20.8%	450,000
1981	20.7%	459,000
1982	17.5%	399,000
1983	18.9%	440,000
1984	15.9%	381,000
1985	14.2%	353,000
1986	12.9%	333,000
1987	12.3%	328,000
1988	12.5%	343,000
1989	10.9%	311,000
1990	10.2%	301,000
1991	10.4%	313,000
1992	9.2%	286,000
1993	10.8%	342,000
1994	7.9%	255,000
1995	7.7%	254,000
1996	9.1%	305,000
1997	8.6%	298,000
1998	8.3%	292,000
1999	7.6%	270,000
2000	7.3%	265,000
2001	7.3%	271,000

TABLE C.4: POVERTY RATES BY FAMILY TYPE, 1980-2001, USING AFTER-TAX LICOS									
	Couples 65+	Couples <65 without Children	Couples <65 with Children	Single-Parent Fathers <65	Single Parent Mothers <65	Unattached Men 65+	Unattached Women 65+	Unattached Men <65	Unattached Women <65
1980	5.5%	4.5%	6.8%	--	47.9%	45.5%	56.1%	24.2%	36.8%
1981	7.9%	5.0%	7.2%	--	46.3%	37.9%	52.8%	24.6%	35.3%
1982	3.8%	5.6%	8.3%	--	49.1%	32.2%	50.4%	28.1%	31.8%
1983	5.2%	6.6%	9.2%	--	52.1%	39.5%	50.6%	31.6%	37.7%
1984	4.5%	7.0%	9.2%	--	52.7%	32.1%	42.2%	30.0%	36.8%
1985	4.0%	5.8%	8.7%	--	53.6%	27.0%	41.2%	29.5%	37.1%
1986	4.2%	5.9%	8.1%	--	48.6%	25.1%	35.8%	30.1%	35.9%
1987	3.8%	6.1%	7.7%	--	49.5%	21.5%	34.5%	30.8%	34.6%
1988	3.8%	5.0%	6.3%	--	46.2%	18.0%	34.2%	27.7%	36.9%
1989	2.9%	5.1%	6.3%	--	42.6%	17.8%	31.1%	24.5%	33.4%
1990	2.2%	5.8%	6.7%	17.4%	46.9%	19.8%	29.3%	26.2%	32.9%
1991	2.4%	6.6%	7.8%	20.1%	48.5%	22.2%	29.2%	30.2%	37.0%
1992	--	5.5%	7.2%	--	44.6%	16.0%	27.3%	31.0%	36.5%
1993	2.6%	6.6%	8.8%	18.7%	44.9%	20.2%	28.7%	31.3%	36.2%
1994	--	6.3%	8.3%	26.5%	44.7%	11.7%	23.5%	30.4%	40.5%
1995	--	6.8%	9.7%	20.6%	46.0%	11.7%	23.9%	32.1%	37.3%
1996	1.9%	7.1%	9.7%	22.4%	49.0%	18.0%	25.9%	34.6%	41.3%
1997	1.9%	6.5%	9.3%	18.1%	45.3%	15.5%	22.9%	34.2%	42.1%
1998	1.6%	5.6%	7.4%	15.7%	39.1%	16.7%	21.8%	31.0%	38.7%
1999	--	6.8%	7.6%	16.3%	37.7%	16.3%	22.0%	31.4%	37.6%
2000	--	5.8%	7.4%	--	33.9%	16.8%	21.0%	27.0%	38.2%
2001	2.3%	5.8%	6.7%	13.4%	31.9%	16.4%	20.5%	26.5%	36.2%

-- Sample size too small.

TABLE C.5: NUMBER OF POOR BY FAMILY TYPE, 1980-2001, USING AFTER-TAX LICOS

	Couples 65+	Couples <65 without Children	Couples <65 with Children	Single-Parent Fathers <65	Single Parent Mothers <65	Unattached Men 65+	Unattached Women 65+	Unattached Men <65	Unattached Women <65
1980	30,000	59,000	215,000	--	168,000	85,000	280,000	225,000	298,000
1981	43,000	66,000	222,000	--	159,000	72,000	279,000	238,000	295,000
1982	22,000	76,000	255,000	--	184,000	56,000	264,000	291,000	275,000
1983	31,000	91,000	284,000	--	198,000	71,000	287,000	345,000	316,000
1984	27,000	95,000	278,000	--	214,000	56,000	236,000	335,000	332,000
1985	25,000	84,000	267,000	--	212,000	48,000	239,000	344,000	336,000
1986	28,000	85,000	248,000	--	184,000	46,000	215,000	359,000	339,000
1987	26,000	93,000	235,000	--	196,000	42,000	218,000	377,000	337,000
1988	27,000	77,000	196,000	--	191,000	37,000	231,000	349,000	370,000
1989	21,000	82,000	194,000	--	183,000	39,000	213,000	320,000	351,000
1990	17,000	94,000	207,000	13,000	216,000	45,000	211,000	362,000	343,000
1991	19,000	107,000	239,000	14,000	230,000	51,000	212,000	424,000	407,000
1992	--	90,000	222,000	--	250,000	38,000	198,000	461,000	395,000
1993	21,000	109,000	270,000	17,000	261,000	53,000	218,000	471,000	384,000
1994	--	107,000	260,000	22,000	231,000	30,000	179,000	465,000	446,000
1995	--	116,000	309,000	18,000	243,000	31,000	185,000	488,000	431,000
1996	16,000	125,000	307,000	20,000	267,000	47,000	201,000	561,000	464,000
1997	16,000	114,000	294,000	17,000	244,000	42,000	177,000	559,000	492,000
1998	14,000	99,000	230,000	16,000	219,000	46,000	170,000	513,000	464,000
1999	--	124,000	238,000	17,000	206,000	45,000	176,000	532,000	455,000
2000	--	109,000	233,000	--	180,000	48,000	168,000	457,000	483,000
2001	21,000	113,000	207,000	15,000	164,000	48,000	165,000	458,000	456,000

-- Sample size too small.

TABLE C.6: DEPTH OF POVERTY BY FAMILY TYPE, 1980-2001, IN DOLLARS BELOW AFTER-TAX LICOS

	Couples 65+	Couples <65 without Children	Couples <65 with Children	Single-Parent Fathers <65	Single Parent Mothers <65	Unattached Men 65+	Unattached Women 65+	Unattached Men <65	Unattached Women <65
1980	$4,126	$5,762	$7,754	--	$7,922	$3,379	$3,096	$6,660	$6,569
1981	$3,162	$5,845	$7,958	--	$7,976	$2,896	$3,354	$5,881	$6,359
1982	$3,136	$5,602	$7,433	--	$7,535	$2,898	$2,893	$6,216	$6,608
1983	$4,426	$6,282	$7,614	--	$7,734	$3,335	$2,921	$6,024	$6,527
1984	$3,720	$5,447	$8,204	--	$7,483	$2,711	$3,060	$6,091	$6,427
1985	$2,839	$5,964	$6,983	--	$7,672	$2,589	$2,903	$5,709	$6,178
1986	$3,551	$5,400	$7,362	--	$7,032	$2,642	$2,714	$6,199	$5,816
1987	$4,031	$5,350	$7,634	--	$7,005	$2,902	$2,568	$6,078	$5,764
1988	$3,604	$5,638	$6,808	--	$6,565	$3,437	$2,510	$6,015	$5,616
1989	$3,500	$5,336	$7,386	--	$6,146	$2,284	$2,386	$5,636	$5,662
1990	$3,641	$6,073	$8,229	$6,292	$6,898	$2,682	$2,406	$5,551	$5,516
1991	$3,903	$5,750	$7,472	$6,733	$7,092	$1,961	$2,226	$5,754	$6,086
1992	--	$5,634	$8,005	--	$6,514	$1,926	$2,189	$5,317	$6,002
1993	$4,328	$5,843	$7,338	$6,377	$6,421	$3,484	$2,266	$5,775	$5,769
1994	--	$5,197	$7,934	$5,669	$6,557	$2,083	$2,007	$5,613	$5,449
1995	--	$5,400	$8,009	$5,176	$6,418	$2,628	$1,987	$5,857	$5,569
1996	$6,447	$5,934	$7,985	$6,374	$5,847	$2,379	$1,981	$6,006	$6,530
1997	$6,412	$5,912	$7,660	$6,636	$6,369	$2,507	$1,899	$6,309	$6,081
1998	$6,790	$6,407	$7,774	$6,413	$6,556	$3,023	$1,898	$5,952	$6,135
1999	--	$7,016	$7,525	$9,183	$5,911	$2,340	$2,089	$6,259	$6,486
2000	--	$6,916	$7,619	--	$5,840	$3,058	$2,032	$6,173	$6,249
2001	$4,980	$6,475	$8,495	$5,477	$6,098	$3,193	$2,235	$6,456	$6,396

-- Sample size too small.

TABLE C.7: PERSISTENCE OF POVERTY BY AGE GROUP, 1996-2001, USING AFTER-TAX LICOS									
	1 Year Poor	2 Years Poor	3 Years Poor	4 Years Poor	5 Years Poor	All 6 Years Poor	At least 1 Year Poor	No Poor Years	Total
NUMBER OF POOR PERSONS									
All Persons	2,134,000	1,296,000	804,000	580,000	502,000	802,000	6,118,000	19,037,000	25,155,000
Children <18	614,000	428,000	262,000	193,000	163,000	191,000	1,851,000	4,564,000	6,415,000
18-24	341,000	236,000	113,000	69,000	47,000	45,000	851,000	1,377,000	2,228,000
25-54	896,000	492,000	344,000	251,000	225,000	383,000	2,591,000	9,390,000	11,981,000
55-64	182,000	99,000	55,000	42,000	35,000	85,000	498,000	1,693,000	2,191,000
65 Years +	102,000	42,000	29,000	26,000	32,000	98,000	329,000	2,012,000	2,341,000
PERCENTAGE DISTRIBUTION									
All Persons	8.5%	5.2%	3.2%	2.3%	2.0%	3.2%	24.4%	75.7%	100%
Children <18	9.6%	6.7%	4.1%	3.0%	2.5%	3.0%	28.9%	71.2%	100%
18-24	15.3%	10.6%	5.1%	3.1%	2.1%	2.0%	38.2%	61.8%	100%
25-54	7.5%	4.1%	2.9%	2.1%	1.9%	3.2%	21.7%	78.4%	100%
55-64	8.3%	4.5%	2.5%	1.9%	1.6%	3.9%	22.7%	77.3%	100%
65 Years +	4.4%	1.8%	1.2%	1.1%	1.4%	4.2%	14.1%	86.0%	100%

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